



Daily Report—

East Asia

FBIS-EAS-93-168
Wednesday
1 September 1993

Daily Report

East Asia

FBIS-EAS-93-168

CONTENTS

1 September 1993

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

Japan Hosts Symposium on Korean Peninsula	1
Negotiator on DPRK Talks <i>[KYODO]</i>	1
Talks Depend on DPRK Stance <i>[YONHAP]</i>	1
Tokyo Hosts GLOBE Environmental Conference	1
Conference Opens <i>[KYODO]</i>	1
Delegates Fail To Agree <i>[KYODO]</i>	2
Russian on Radioactive Waste <i>[KYODO]</i>	2
Assembly Disagrees on Whaling <i>[KYODO]</i>	3
Pan-Pacific Tsunami Conference Opens in Tokyo <i>[KYODO]</i>	3

NORTHEAST ASIA

Japan

U.S. Urged To Assess Automakers' Efforts <i>[KYODO]</i>	4
Foreign Minister Considers Asia, UN Visits <i>[KYODO]</i>	4
First Construction Venture Formed With SRV <i>[KYODO]</i>	4
Ministry Reports Continued Labor Flow Decline <i>[KYODO]</i>	4
Large Corporations' Incomes Drop for 3d Year <i>[KYODO]</i>	5
Tokyo Compiles 60-Item Blueprint for Deregulation <i>[KYODO]</i>	5
Hosokawa Urges More Deregulation <i>[KYODO]</i>	6
Ministries Begin Negotiations on FY94 Budget <i>[KYODO]</i>	7
Tokyo To Reduce 1994-95 Rice Production Cuts <i>[KYODO]</i>	7
State Funding for Fiber Optic Project Urged <i>[KYODO]</i>	7
Ministries Agree To 'Jointly Subsidize' Railways <i>[KYODO]</i>	8

North Korea

Pyongyang Says IAEA 'Lost Its Impartiality' <i>[Pyongyang Radio]</i>	8
Spokesman Issues Statement on North-South Talks <i>[Pyongyang Radio]</i>	9
KCNA Reports Statement	10
Cambodian High-Level Delegation Continues Visit	11
Sihanouk Meets Delegation <i>[KCNA]</i>	11
Officials Receive Delegation <i>[KCNA]</i>	11
Government Hosts Banquet <i>[KCNA]</i>	11
Premier Meets Delegation <i>[KCNA]</i>	12
KCNA Interviews Russian Communist Party Guest	12
SRV Ambassador Hosts Party on National Day <i>[KCNA]</i>	12
Meeting Marks Anniversary of Libyan Revolution <i>[KCNA]</i>	13
Kim Il-song Sends Messages to Foreign Leaders <i>[KCNA]</i>	13
Kim Chong-il Sends Messages to Foreign Leaders <i>[KCNA]</i>	13
Newspaper Commemorates Malaysian Independence <i>[KCNA]</i>	14
Delegations Depart for India, China <i>[KCNA]</i>	14
Olympic Committee Spokesman Issues Statement <i>[KCNA]</i>	14
Kim Il-song Gives Guidance in South Hwanghae <i>[Pyongyang Radio]</i>	15
KCNA Profiles Spring Water Used for Export	15
Correction on Kim Il-song Seeing North Hamgyong	16

South Korea

YONHAP on U.S. Condition for DPRK Talks	16
Daily on Lack of U.S. Budgeting for Team Spirit <i>[KYONGHYANG SINMUN 31 Aug]</i>	16
Board Checks U.S. Documents on Fighter Sale <i>[YONHAP]</i>	17
Seoul, Washington Extend Textile Agreement <i>[YONHAP]</i>	18
Paper Supports U.S.-South Cooperation on North <i>[CHOSON ILBO 1 Sep]</i>	18
'News Analysis' on Russian Statement on KAL <i>[YONHAP]</i>	19
PRC 'Reluctant' To Return Korean's Remains <i>[YONHAP]</i>	20
Express Mail Service to Croatia, Slovenia Begins <i>[THE KOREA TIMES 31 Aug]</i>	20
Government To Propose North-South Talks 1 Sep <i>[Seoul Radio]</i>	20
Government 'Apparently' To Accept North Proposal <i>[Seoul Radio]</i>	20
Proposal 'Worth Attention' <i>[YONHAP]</i>	20
Kim Yong-sam Predicts North-South Commonwealth <i>[Seoul Radio]</i>	21
Editorial Urges 'Clear' Stance on Nuclear Issue <i>[TONG-A ILBO 31 Aug]</i>	21
Students Plan To Invite 15 Students From North <i>[THE KOREA TIMES 28 Aug]</i>	22
Defense Minister Plans To Boost Military Image <i>[YONHAP]</i>	22
Government 'Tentatively' Sets 1994 Budget <i>[THE KOREA HERALD 29 Aug]</i>	22
Government Approves Oil Refinery Expansion Plan <i>[THE KOREA HERALD 29 Aug]</i>	23
Officials Announce Tax Auditing Changes <i>[YONHAP]</i>	23
Report on Planned Research Investment in 1993 <i>[YONHAP]</i>	23

SOUTHEAST ASIA

Brunei, Malaysia & Singapore

Malaysia

Yunnan Governor: China To Emulate Policies <i>[BERNAMA]</i>	25
Albanian Delegation Signs Agreement on Visas <i>[Tirana ATA]</i>	25
Danish Industry Minister To Discuss Cooperation <i>[BERNAMA]</i>	25

Singapore

Cambodia's Ranariddh Calls on Premier Goh, Others <i>[Singapore Radio]</i>	25
--	----

Cambodia

French Defense Ministry Delegation Arrives <i>[Phnom Penh Radio]</i>	25
Son Sann Receives Indonesian Parliamentarians <i>[AKP]</i>	26
Cheas Sim Receives Outgoing Chinese Envoy 28 Aug <i>[Phnom Penh Radio]</i>	26
Armed Forces Reports DK 'Attacks' 23-29 Aug <i>[Phnom Penh Radio]</i>	26
VGNUFC Reports 'Massacres,' 'Popular Revolt'	27
Khmer Rouge on Reconciliation, Foreigners <i>[Radio VGNUFC]</i>	27

Philippines

Group Says U.S. Contaminated Bases With Waste <i>[Manila Radio]</i>	28
James Rowe's Killers May Get Conditional Amnesty <i>[Manila Radio]</i>	28
Ramos Accepts Indonesian Invitation To Visit <i>[Quezon Radio]</i>	28
Two Agro-Related Pacts Signed With Australia <i>[BUSINESS WORLD 30 Aug]</i>	29
Police Prepare for Return of Marcos' Remains <i>[Manila Radio]</i>	29
Manila Considers Dropping World Bank Loan <i>[THE MANILA CHRONICLE 30 Aug]</i>	29
WB Lends \$100 Million Through Countryside Fund <i>[THE MANILA CHRONICLE 1 Sep]</i>	30
NDF Envoy Promotes Investment in Country <i>[Manila Radio]</i>	30
Communists Use Foreign Aid To Fund Insurgency <i>[Manila Radio]</i>	31
Sorsogon Communist Unit Joins Revisionist Group <i>[Manila Radio]</i>	31
NDF Approves Vietnam as Peace Talks Venue <i>[Manila Radio]</i>	31
Bayan-NCRR Leaves National Executive Council <i>[Manila Radio]</i>	31
Government To Swear In Peace Talk Panelists <i>[Manila Radio]</i>	31
Rebel Soldiers Threaten To Walk Out Over Delay <i>[BUSINESS WORLD 1 Sep]</i>	32

MNLF Arms Shipment Reportedly Arrives in Basilan	<i>[THE MANILA CHRONICLE 1 Sep]</i>	32
Ramos Suspends Basilan Anti-Insurgency Operation	<i>[Manila Radio]</i>	33
Roundup of Rebel Activities for 14-27 Aug	<i>[Manila Radio, etc]</i>	33

Thailand

U.S. Urges Return of Workers From Libya	<i>[BANGKOK POST 1 Sep]</i>	34
Ministry Prepares for Evacuation	<i>[Bangkok Radio]</i>	35
Source Speculates on U.S. Plans for Trade Ties	<i>[THE NATION 1 Sep]</i>	35
Cabinet Plans Arms Purchase, Deployment in Iraq	<i>[THE NATION 1 Sep]</i>	36

Vietnam

Nguyen Thi Binh Meets With U.S. Senator Shelby	<i>[Hanoi Radio]</i>	36
Do Muoi, Leaders Greet German PDS Delegation	<i>[VNA]</i>	37
First International Road Construction Agreement	<i>[Hanoi Radio]</i>	37
Incentives Granted To Promote Spratlys Fishing	<i>[VNA]</i>	38
ADB Officials Support Resumption of Loans	<i>[Hanoi International]</i>	38
Nguyen Manh Cam Attends ASEAN Reception	<i>[VNA]</i>	38
Nong Duc Manh Attends Meeting of Businessmen	<i>[Hanoi Radio]</i>	38
Nong Duc Manh Meets Ethnic Minority Delegation	<i>[Hanoi Radio]</i>	39
Pham The Duyet Visits 'Model Learning Center'	<i>[Hanoi TV]</i>	39
Party, State Leaders Attend Cultural Festival	<i>[Hanoi Radio]</i>	39
LAO DONG XA HOI Magazine Makes Debut	<i>[Hanoi TV]</i>	40
TV Assembly Line Officially Inaugurated 28 Aug	<i>[Hanoi Radio]</i>	40
Trees Planted To Supply Paper Industry, Exports	<i>[VNA]</i>	40
Sep 93 TAP CHI QUOC PHONG TOAN DAN Reviewed	<i>[Hanoi Radio]</i>	40
Truong My Hoa Discusses Women's Role	<i>[NHAN DAN 29 July]</i>	41

AUSTRALASIA

Australia

Canberra Willing To Aid Jakarta Nuclear Program	<i>[Melbourne Radio]</i>	44
Labor Backbenchers Revolt Over 'Lousy' Budget	<i>[Melbourne Radio]</i>	44
Nationally-Built Submarine Launched in Adelaide	<i>[Melbourne Radio]</i>	44

French Polynesia

Radioactivity-Monitoring Laboratory To Remain Open	<i>[Melbourne Radio]</i>	45
--	--------------------------	----

New Zealand:

German President on Trade Blocs or GATT Proxies	<i>[AFP]</i>	45
---	--------------	----

Japan Hosts Symposium on Korean Peninsula

Negotiator on DPRK Talks

*OW3108040593 Tokyo KYODO in English 0342 GMT
31 Aug 93*

[Text] Tokyo, Aug. 31 KYODO—A senior Japanese diplomat on Tuesday [31 August] called for resumption of normalization talks with North Korea, in a statement seen as the new Japanese coalition government's first statement on the issue. Tetsuya Endo, the chief negotiator in the Japan-North Korea diplomatic normalization talks, also said Pyongyang must clear up suspicions about its alleged nuclear weapons development before it can harvest the fruits of resumed negotiations.

Endo made the remarks in Tokyo during a lecture to a symposium of government officials and academics from Japan, China, South Korea, Russia and the United States. "Alleviating the suspected North Korean nuclear arms development program is an absolute prerequisite for Japan to agree to normalize its diplomatic relations with the nation," he said.

Clearing up such suspicions, however, is "not a condition for us to resume suspended talks on normalizing ties," he told the symposium entitled, "The Korean Peninsula—A Challenge to the Era of Transition."

The U.S., South Korea and the International Atomic Energy Agency have been pressing Pyongyang to accept international inspection of two suspected nuclear arms manufacturing sites in an industrial complex in Yongbyon, some 90 kilometers north of Pyongyang.

Pyongyang said it has suspended the March 1993 announcement to drop out of the Nuclear Nonproliferation Treaty, but has adamantly refused to allow international inspectors into the suspected sites.

"Japan is ready to resume talks anytime depending on the response from the North Korean side and we hope that North Korea will take a positive stance toward resuming the talks," Endo said.

The normalization talks broke down last November over a demand that Pyongyang disclose the whereabouts of a Japanese woman who was allegedly abducted from Japan by North Korean agents. The woman allegedly trained a North Korean spy in Japanese language and customs.

The self-confessed spy, Kim Hyon-hui, was convicted of blowing up a Korean Air jet in 1987 and sentenced to death. The female spy is now living in seclusion in South Korea after her death sentence was commuted by a South Korean presidential amnesty.

The former spy acknowledged receiving language instruction from the Japanese woman who was known by the Korean name of Yi Un-hye.

Talks Depend on DPRK Stance

*SK3108120893 Seoul YONHAP in English 1101 GMT
31 Aug 93*

[Text] Tokyo, Aug. 31 (YONHAP)—The chief Japanese negotiator in the Japan-North Korea normalization talks on Tuesday [31 August] called for the early resumption of the stalled negotiations.

Speaking at an international symposium, Ambassador Tetsuya Endo hinted that Japan may agree to resume the talks without the resolution of North Korea's nuclear issues.

"Settlement of North Korea's nuclear issues is a must for the normalization of relations but not a prerequisite to the resumption of the talks," he said.

Endo said Japan is prepared to resume the talks at any time depending on North Korea's stance. "We hope North Korea will become more positive toward resuming the meeting," he said.

The symposium, "The Korean Peninsula - Challenges in Turning Point," was co-sponsored by Keio University of Japan and George Washington University of the United States.

"We have discussed (the nuclear issue) at the past talks, and if necessary we shall continue to seek its resolution at future meeting," he said.

The normalization talks have been stalled since the eighth meeting held last November in Beijing.

The symposium was attended by about 20 officials and scholars from South Korea, Japan, United States, China and Russia.

Tokyo Hosts GLOBE Environmental Conference

Conference Opens

*OW3008043593 Tokyo KYODO in English 0359 GMT
30 Aug 93*

[Text] Tokyo, Aug. 30 KYODO—More than 40 legislators from Japan, the United States, Europe and Russia began a three-day meeting in the Diet, the Japanese parliament, in Tokyo on Monday [30 August] aimed at coordinating environmental legislation in their countries.

The legislators, members of the Global Legislators Organization for a Balanced Environment (GLOBE), will discuss a package of proposals for incorporation in their nations' laws, focusing on the prevention of damage to climatic systems and the preservation of biodiversity.

The seventh GLOBE international general assembly brings together nine legislators from the European Parliament, nine from the U.S. Congress, six from the Russian parliament, and more than 20 from the Japanese Diet. It is the second GLOBE general assembly to be held in Japan.

In a keynote address to the assembly, GLOBE International President Takashi Kosugi, a Liberal Democratic

Party member of the House of Representatives, told members that economic problems in all member countries threaten to restrict funds for environmental conservation.

"It is time to recognize we cannot continue our economies as we have till now," Kosugi said.

"We must develop the economic art of doing good business without consuming our limited resources."

Kosugi said that the duty of the assembly during its three-day meeting, will be to ensure that agreements reached at the United Nations-sponsored Earth summit in Rio de Janeiro in June last year are fully implemented.

He noted that more than a year has passed since the summit produced two key conventions on climate change and biodiversity, yet neither has been ratified by sufficient countries to enable them to be put into effect.

"It is our duty as politicians to put into practice what has been agreed, namely to achieve sustainable development," Kosugi said.

Delegates Fail To Agree

*OW3008095193 Tokyo KYODO in English 0910 GMT
30 Aug 93*

[Text] Tokyo, Aug. 30 KYODO—Legislators from several of the world's major industrial and polluting nations failed to reach consensus on Monday [30 August] over fiscal and political measures to limit emissions of global warming gases.

Legislators from Japan, the United States, Russia and the European Parliament, at the International General Assembly of the Global Legislators Organization for a Balanced Environment (GLOBE), failed to reach the consensus during their first day's debate on strategies to cope with climate change.

GLOBE international members meet twice a year to coordinate environmental legislation in their countries, but on the first day of their three-day seventh general assembly in Tokyo, most agreed that the introduction of a carbon tax on the consumption of fossil fuels is one of the most difficult strategies facing their governments.

More than 40 participants at the meeting were at least unanimous that global warming gases are increasing and pose a long-term danger to the environment.

GLOBE Russia President Mikolay Vorontsov said population pressure justifies an international program for the development of efficient industrial uses as biogas of the large volume of methane gas from rice fields and human and domestic animal excrement.

Yuriy Moskovich, another GLOBE Russia member, said Siberia's 459 million hectares of forest bind 2-3 percent of the carbon dioxide annually released into the atmosphere, but the loss to logging and fires of up to 900,000 hectares of Siberian forest annually could lead to an "ecological nuclear bomb."

Portuguese parliamentarian and GLOBE EC Vice President Carlos Pimenta warned that the world now has 2-3

percent more facilities emitting carbon dioxide (CO₂) than in 1990, but no concrete measures for pegging emissions to 1990 levels as agreed to in the climate change convention drawn up in June last year at the Earth Summit.

But differences surfaced when debate moved to ways to limit the emissions of global warming gases, including the introduction by governments of a "carbon tax" on fossil fuels.

Tadatoshi Akiba, a GLOBE Japan member of the Social Democratic Party, said that because successive Japanese administrations have encouraged the construction of new nuclear power stations as an alternative to coal and oil, there is little incentive to introduce such a tax.

Jim Scheuer, GLOBE founding president and a former U.S. Congressman, said 12 years of administrations under the Republican Party presidents of Ronald Reagan and George Bush has left Americans convinced that taxes are "evil."

But GLOBE EC member and British Parliamentarian Tom Spencer predicted a carbon tax would be in place in Europe "within two years."

"This is an area where we will all have to hang together or we will all be hung separately," Spencer said.

The legislators will meet again on Tuesday and Wednesday for debate on climate change and biodiversity.

Russian on Radioactive Waste

*OW3108085693 Tokyo KYODO in English 0814 GMT
31 Aug 93*

[Text] Tokyo, Aug. 31 KYODO—Details of Russia's dumping of radioactive waste in the ocean of the Russian Far East will be released this fall when an English-language "white book" on the subject is published, a Russian legislator said Tuesday [31 August].

Valeriy Menshikov, a member of the Russian branch of the Global Legislators Organization for a Balanced Environment (GLOBE), told the GLOBE International Assembly in Tokyo that the book's Russian language version shows that the largest amount of radioactive liquid waste was dumped between 1986 and 1987. It also shows that the peak period for the dumping of solid waste, in terms of radioactivity, was between 1975 and 1985, he said.

According to Menshikov, Russia has dumped at least 19,262 curies of radioactive waste in Far East ocean areas since 1961. A curie is a measurement of radioactive material.

He said Russia dumped 12,295 curies of liquid radioactive waste between 1961 and 1991 and 6,967 curies of solid radioactive waste from 1986.

Items of solid waste dumped by Russia include "6,868 containers, 38 scuttled vessels and more than 100 other large objects," he said.

Additional radioactivity from ocean areas outside nine officially designated liquid radioactive waste sites and four solid radioactive waste sites in the Far East should include

the waste which entered the Sea of Japan as a result of a radiation accident on a nuclear powered submarine, he said.

Menshikov said other sources of radioactivity not listed in the "white book" include a "radionuclide source" with a radioactivity of 350 kilocuries lost during transport near Sakhalin Island, as well as radioactive contamination from "fallout and river outflow."

"Considering the enormous areas of the waters of the Far Eastern regions, the liquid and solid raw radioactive waste buried by the (Russian) Pacific Fleet apparently contributes no more than a few percent to the balance of anthropogenic (human caused) radioactive contamination," he said.

The director general of Japan's Science and Technology Agency, Satsuki Eda, told the meeting he commended the Russian Government "for its courage" in releasing the details about the dumping.

"However, the fact that the Russian Government may continue to dump—for the reason that, among other reasons, its land-based nuclear waste processing facilities are insufficient—is highly regrettable and shows a lack of regard for its neighboring nations," Eda said.

He said initial findings from a recent "emergency marine environmental radioactivity survey" between April and June in the Japan Sea made in response to the revelations indicates "no abnormal data."

But Eda said Japan now hopes to conduct a joint survey with Russia so that more detailed data can be gathered at specific dumping sites.

GLOBE is a group of legislators from Russia, Japan, the United States and the European Parliament, who meet twice a year to coordinate their countries' legislation related to the environment.

The three-day GLOBE international assembly will conclude on Wednesday.

Assembly Disagrees on Whaling

OW3108111393 Tokyo KYODO in English 0936 GMT
31 Aug 93

[Text] Tokyo, Aug. 31 KYODO—Delegates at the Global Legislators Organization for a Balanced Environment (GLOBE) assembly failed to reach a consensus about whaling issues in Tokyo on Tuesday [31 August].

Hemmo Muntingh, president of the delegation from the European Community, sought GLOBE's support for the establishment of a whale sanctuary in the southern ocean.

The French originally proposed the idea at the meeting of the International Whaling Commission (IWC) in Kyoto last May, but it was not adopted due to complaints from Japan and Norway.

"We have reserves on land," said Muntingh, "but we do not have biosphere reserves in the sea."

However, Yuichi Takami of the Japan New Party, said GLOBE should respect the IWC's rejection of the proposal, adding that "antiwhaling arguments are one-sided, high-pressure and emotional. They are acts of blatant cultural invasion against countries and people who hold different values, cultures and traditions."

"The minority culture must not be forced out," he said.

Masao Kunihiro of the Social Democratic Party added that the antiwhaling campaign suffers from "cultural ethnocentrism."

"Furthermore, the only species of whale that Japan is interested in is the minke whale, whose population is on the increase now," he said.

Tom Spencer, a GLOBE member of the European Parliament, in reply, acknowledged that the whaling issue was a "pure case of cultural clash."

"But we can no longer support the theory that the globe is endlessly replenishable and there to support us," he said.

He urged delegates in the future to "take the debate beyond mutual accusations of cultural imperialism."

The GLOBE international assembly is a gathering of legislators from the United States, Japan, Europe and Russia, who meet twice yearly to coordinate their countries' environmental policies.

Their three-day assembly ends Wednesday.

Pan-Pacific Tsunami Conference Opens in Tokyo

OW3008060393 Tokyo KYODO in English 0349 GMT
30 Aug 93

[Text] Tokyo, Aug. 30 KYODO—A Pan-Pacific conference opened Monday [30 August] at the Meteorological Agency to discuss ways to protect people from tsunami tidal waves, agency officials said.

Government officials from 13 countries such as Chile, the Philippines and South Korea are attending the International Coordination Group for the Tsunami Warning System in the Pacific, the officials said.

Three international organizations including the International Tsunami Information Center (ITIC) have also joined in the five-day meeting.

Focusing on tsunami disasters such as the one on Japan's northern main island of Hokkaido in July, and one on Flores Island in eastern Indonesia last December, the groups will discuss disaster measures including how to issue tsunami warnings.

Attendents will also take up ideas to reinforce contacts among tsunami-prone nations and share data on tide levels and earthquakes, plus how to prepare textbooks to teach people about tsunami.

The Pan-Pacific group was established as a subordinate body of a United Nations Educational, Scientific and Cultural Organization (UNESCO) Committee following the earthquake and tsunami disaster in Chile in 1960. It has 26 member countries.

Japan**U.S. Urged To Assess Automakers' Efforts**

*OW0109075993 Tokyo KYODO in English 0736 GMT
1 Sep 93*

[Text] Tokyo, Sept. 1 KYODO—Japanese negotiators will call on the United States to assess U.S. automakers' efforts to make their products better suited to the Japanese market at bilateral talks that begin this month, automobile industry sources said Wednesday [1 September].

The talks over trade on autos and auto parts are part of negotiations aimed at trimming Japan's towering trade surplus with the U.S. The sectoral talks, initially focusing on government contracts and insurance as well as autos were agreed to between President Bill Clinton and former Japanese Prime Minister Kiichi Miyazawa in July as part of a broad, bilateral economic framework accord.

The sources said the Trade Ministry and the automobile industry will jointly call on U.S. automakers to study pricing and vehicle sizes most suited to the Japanese market.

They will suggest that U.S. vehicles on sale in Japan might be too expensive compared with their Japanese equivalents and too big for the standard parking space of Japanese houses, the sources said.

The U.S. makers will also be asked to consider producing right-hand drive models for the Japanese market.

The Japanese negotiators will oppose a U.S. proposal for numerical targets for Japanese imports of automobiles and auto parts, and will urge the Americans to step up export efforts if they insist on targets, the sources said.

Chrysler Corp., one of the U.S. "Big Three" automakers, has increased sales of its vehicles in Japan owing largely to price cuts and introduction of right-hand drive models. Chrysler and the two other big automakers, General Motors Corp. and Ford Motor Co., are not satisfied with their sales in Japan, however, complaining of nontariff barriers.

Foreign Minister Considers Asia, UN Visits

*OW3108033093 Tokyo KYODO in English 0254 GMT
31 Aug 93*

[Text] Tokyo, Aug. 31 KYODO—Foreign Minister Tsutomu Hata expressed willingness Tuesday [31 August] to visit Asian nations and attend the United Nations General Assembly in late September.

"I want to feel the trends of surrounding nations...instead of just listening to reports, because Japan is a nation with firm roots in Asia," Hata told a press conference. But the foreign minister said details of his schedule have not yet been set because of an extraordinary Diet session to be convened in September.

Official sources said last week that Hata is considering visiting Cambodia and other Southeast Asian nations in mid-September to convey Japan's regret for its aggression during World War II.

The officials said that if the visit to Cambodia is realized, he will meet Japanese UN peacekeepers in Cambodia, who are slated to return to Japan on September 15, and also attend the ceremony to inaugurate the new Cambodian Government. Hata said he would like to meet and talk with Japanese peacekeepers and officials of the new Cambodian Government.

The foreign minister said he also wants to attend the UN General Assembly in New York because heads of state and foreign ministers from around the world will be gathered there.

First Construction Venture Formed With SRV

*OW2808112293 Tokyo KYODO in English 0818 GMT
28 Aug 93*

[Text] Hanoi, Aug. 28 KYODO—Vinata, a joint venture between Japan's Taisei Corp. and Vietnam's Vinaconex, was formed in Hanoi Saturday [28 August] as the first Vietnam-Japan construction joint venture in Vietnam.

The undertaking, capitalized at 3.18 million dollars, 29 percent of which is contributed by the Vietnamese partner, will begin construction work for foreign-invested projects in Vietnam and abroad, and provide services on construction consultation, supervision, machinery and civil work.

Vinata will start its operation early in November with the construction of the Trang Khen Cement Factory in the suburbs of the port city of Haiphong, 100 kilometers East of Hanoi, according to Vinata Vice Chairman Vu Khoa. The Trang Khen, a project invested by the Chingfong Group of Taiwan, is among the biggest foreign-invested projects in Vietnam.

Vinata will also establish a maintenance workshop in Hanoi by the end of September, said Keisuke Obuchi, Vinata general manager.

The prospects of the business venture are very promising, said the venture's Director General Noriaki Nozawa.

Ministry Reports Continued Labor Flow Decline

*OW3008083593 Tokyo KYODO in English 0804 GMT
30 Aug 93*

[Text] Tokyo, Aug. 30 KYODO—Labor flow in Japan continued to decline in calendar 1992, reflecting the protracted economic slump, the Labor Ministry said in a survey report Monday [30 August].

During the reporting year, 6.06 million people were newly recruited, down 130,000 or 2.2 percent from 1991, while 5.59 million people left their jobs, down 30,000 or 0.6 percent, the ministry said. As a result, 30.4 percent of

Japan's total work force either got or quit a job in 1992, down 1.4 percentage points for the second consecutive yearly decline.

Amid the continuing economic doldrums, corporations refrained from recruiting new employees and fewer people changed jobs, the ministry explained.

New recruitments of full-time workers fell 4.0 percent to 4.61 million, but employment of part timers increased 4.1 percent to 1.45 million.

The number of full-time workers who left jobs dropped 3.0 percent to 4.34 million while the figure for part-time workers who quit rose 8.9 percent to 1.26 million, the ministry said.

Among those who changed jobs in 1992, 33.4 percent saw their wage rise at least 10 percent. The rate is down 5.0 points from the previous year.

On the other hand, 21.2 percent suffered a wage decline of 10 percent or more, up 4.2 points.

Large Corporations' Incomes Drop for 3d Year

OW3108031693 Tokyo KYODO in English 0238 GMT
31 Aug 93

[Text] Tokyo, Aug. 31 KYODO—Annual income reported by Japan's large corporations dropped in fiscal 1992 for the third straight year to 15,664.1 billion yen, down 14.4 percent from the year before, a government report showed Tuesday [31 August]. The report by the National Tax Administration Agency on corporations capitalized at 3 billion yen or more showed there were 2,274 companies in the category, up 72 from the previous year, although their combined income declined.

The large corporations' reported tax for the year, which ended last March 31, decreased 13.6 percent to 4,725.6 billion yen, it added.

Average per-company income of the corporations surveyed was 6.89 billion yen, down 17.1 percent from the year before. Per-company tax dropped 16.3 percent to 2.08 billion yen, the agency said.

The top 50 corporations earned a total of 5,542.6 billion yen, down 16.8 percent from the year before and accounting for 35 percent of the total earnings.

Toyota Motor Corp. reported the highest earnings for the fifth consecutive year, although its total income dropped 28.8 percent from the year before to 406.96 billion yen.

Continued appreciation of the yen against the U.S. dollar left Toyota, the nation's largest automobile manufacturer, with a considerable exchange loss and an increased burden of plant and equipment depreciation squeezed its earnings, according to the report.

Sanwa Bank came second with declared income of 262.04 billion yen, up 19.5 percent from the year before, the report said.

Nippon Telegraph and Telephone Corp. (NTT) fell to third place from second last year. NTT's reported income

declined 44.1 percent to 205.75 billion yen as it reduced charges for long-distance calls.

There were 16 financial companies among the top 50, compared with 14 in the previous year. But nine banks reported a fall in income, and no securities firms appeared in the top 50.

Pharmaceutical companies increased their representation in the 50 highest earners from two to four.

The number of electronics companies in the top 50 dropped to two from the previous year's five, with such corporations as Hitachi Ltd. and IBM Japan Ltd. disappearing from the list, the agency said.

Following are the declared incomes of the top 10 companies in the list. Figures are in billions of yen, with year-on-year percentage changes in parentheses.

'92 Rank	'91 Rank	Company	Income
1	1	Toyota Motor	406.96 (-28.8)
2	5	Sanwa Bank	262.04 (+19.5)
3	2	Nippon Telegraph and Telephone	205.75 (-44.1)
4	13	Tokyo Electric Power	192.00 (-35.5)
5	14	Mitsubishi Heavy Industries	180.17 (-34.5)
6	12	Nintendo	168.44 (-13.3)
7	9	Mitsubishi Bank	168.13 (-2.1)
8	10	Fuji Photo Film	147.29 (-9.9)
9	3	Fuji Bank	138.69 (-51.6)
10	22	Taisei	124.48 (+5.5)

Tokyo Compiles 60-Item Blueprint for Deregulation

OW3108144793 Tokyo KYODO in English 1405 GMT
31 Aug 93

[Text] Tokyo, Aug. 31 KYODO—Government ministries and agencies on Tuesday [31 August] unveiled a list of possible items for deregulation in hopes the effort would contribute energy to the currently sluggish economy.

An ad hoc meeting of economic ministers including Prime Minister Morihiro Hosokawa discussed a list of 60 items for potential deregulation, including measures the government says would promote imports through improving market access conditions.

Deregulation and passing on the benefits of the recent strong yen to consumers have been major focuses of the new administration's approach to the recession, with the government claiming that the feasible fiscal and monetary steps have already been taken.

The list of items presented by the various ministries and agencies, which is expected to be refined using more concrete criteria by mid-September, includes measures that would promote the creation of new enterprises, increase competition, liberalize price setting mechanisms and free up interest rates on selected financial instruments, according to government officials.

Koshiro Ishida, head of the Management and Coordination Agency, told reporters the blueprint was "well done" considering the limited amount of time the ministries and agencies were given to come up with their proposals.

One senior government official boasted that the scheme will be a major step forward in terms of some items for which there is a long history of dispute over whether to ease the rules.

The official speculated that the Finance Ministry's proposal that regulations be eased on the issuing of liquor sales permits to "all" large-lot retailers must have involved some tough decision-making considering the depth of conflict between local tax bureaus, liquor shops and politicians.

Other proposals included easing the rules on the small-volume brewing of beer, liberalization of interest rates on nonfixed term deposits, and the freeing of taxi fares, while Ishida indicated regulations on housing construction might also be eased.

Officials said the government expects to begin taking practical steps toward deregulation on more than half of the items within the current fiscal year. But they said that some items require legislative action and so their time frames are not certain, while others may take more time simply due to conflicts among the industries concerned.

Business circles generally welcomed the initiative by the Hosokawa administration and called for concrete implementation of the scheme, even though some business leaders at the same time expressed concerns over specifics.

Masaru Hayami, chairman of the Japan Association of Corporate Executives, said deregulation of most of the proposed items has long been debated and what he wants to see now is whether there is an actual implementation.

On the other hand, a senior official at a pharmaceutical company, while admitting that the industry has historically called for streamlining of the inspection process, also acknowledged the industry has benefited from government price controls.

An anonymous executive with one of the Japan Railway Co. groups expressed concern that deregulation might actually lead to strengthening the position of the Transport Ministry in certain cases, such as when companies are forced to deal separately with the government in setting various fares.

Meanwhile, Manae Kubota, head of the Economic Planning Agency, told reporters after the ministerial conference that the administration is planning to compile a specific program for passing on the benefits of the stronger yen to consumers by September 10. She said the plan will focus on reducing public utilities fees, lowering the prices of imported goods, and beefing up publicity on the issue.

"If solidly implemented, the effect of the project will be equivalent to that of a large-scale tax reduction," Kubota said.

Government officials said the items selected will be scrutinized on the basis of whether or not their deregulation would have "substantial economic effect" in stimulating domestic demand and opening up Japan's market for imports. Economists, however, remained skeptical.

Although basically supporting the attempt, they said the deregulation scheme ought not be viewed as part of an economic stimulation effort, since the country will in any case have to wait a long time for it to benefit the economy. Their calls for additional fiscal and monetary actions remain strong.

Finance Minister Hirohisa Fujii told reporters the possibility of further fiscal or monetary stimulation measures was not a major topic at Tuesday's conference, but Ishida admitted there were a couple of participants that called for taking such steps. Ishida said the issue will be discussed in later meetings.

Hosokawa Urges More Deregulation

OW3108193793 Tokyo KYODO in English 1137 GMT
31 Aug 93

[Text] Tokyo, Aug. 31 KYODO—Prime Minister Morihiro Hosokawa on Tuesday [31 August] called for further efforts by government ministries and agencies to ease their regulations so as to boost the nation's sluggish economy, the top government spokesman said. While lauding a "menu" of decontrol plans submitted by government ministries and agencies, Hosokawa said the proposals would have more tangible effects if they were richer in substance, Chief Cabinet Secretary Masayoshi Takemura told a news conference.

The premier made the remarks at an emergency ministerial meeting on the economy held at the prime minister's official residence. "What is now required are measures that are truly meaningful to the public," Takemura quoted Hosokawa as telling the meeting.

The chief cabinet secretary said all the ministers shared a view that they need to make continuous efforts to appropriately tackle the economic slump by easing government regulations and passing on profits gained by the upsurge of the yen to consumers.

He also said the items for the return of the strong yen to consumers [as received] will be drawn up by the end of

this week. Takemura said the government intends to wrap up specific economy-spurring measures through decontrol and the shift of exchange gains to the public by around September 20.

Hosokawa's administration has promised to soon work out a package of measures for reducing government controls on the market and passing on more benefits from the strong yen to consumers as a means of stimulating the economy.

Ministries Begin Negotiations on FY94 Budget

OW0109032293 Tokyo KYODO in English 0300 GMT
1 Sep 93

[Text] Tokyo, Sept. 1 KYODO—Tough negotiations between the Finance Ministry and other ministries and agencies began Wednesday [1 September] on compilation of the fiscal 1994 government budget. Toward the end of this year, the Finance Ministry will assess the funding requests it received Tuesday from each government ministry and agency, which total 76.74 trillion yen, up 6.1 percent from the original fiscal 1993 budget.

The 1994 budget is the first under the coalition government of Prime Minister Morihiro Hosokawa.

Finance Ministry officials said the ministry will focus on how to carry out redistribution of outlays, particularly public works projects, so as to improve the living standards of the Japanese people, one of Hosokawa's main policy goals.

First in the line Wednesday were officials at the Defense Agency's Defense Policy Bureau, seeking the Finance Ministry's understanding of the defense budget plan. The agency's spending requests for the year from next April totaled 4.73 trillion yen, up 1.95 percent from the initial fiscal 1993 budget for the lowest growth rate since fiscal 1961.

The agency officials said the requested spending is the minimum amount needed to achieve Japan's defense buildup program for fiscal 1991 to 1995.

Tokyo To Reduce 1994-95 Rice Production Cuts

OW0109044993 Tokyo KYODO in English 0421 GMT
1 Sep 93

[Text] Tokyo, Sept. 1 KYODO—The government seeks to reduce the scale of planned rice production cuts in fiscal 1994 and 1995 because this year's rice harvest is expected to be one of the worst in the postwar period, government sources said Wednesday [1 September].

The sources at the Agriculture, Forestry and Fisheries Ministry said the ministry had planned to cut the nation's rice output by taking 676,000 hectares of rice field out of production for the three years from fiscal 1993 to 1995. This cut was implemented in fiscal 1993. But in view of this year's expected poor crop due to bad weather and a deadly rice disease, the amount of rice

paddy taken out of production will probably be reduced to 576,000 hectares, meaning that 100,000 hectares will be put back into production for the next two years.

The ministry has since 1971 called for a certain area of rice paddy to be used for growing other types of grains and vegetables in order to prevent an oversupply of rice.

In fiscal 1992, the ministry eased the rice field reduction target to 700,000 hectares from 830,000 hectares taken out of production the previous year, because of an expected shortfall in the 1992 rice harvest. But farmers in the affected areas were reluctant to resume growing rice for only a year, and of the 130,000 hectares the ministry wanted to be put back into production, only 79,000 hectares were actually planted with rice, the sources said.

This time, the two-year period should encourage farmers to resume rice growing on the 100,000 hectares to be put back into production, the ministry hopes.

The ministry also plans to stop penalizing farmers who do not meet the rice output reduction goal by cutting their subsidies, while providing more subsidies for those [who] put rice fields back into production.

Priority will be given to farmers whose fields are in good condition to be restored to rice production, the sources said.

A formal announcement on the new acreage for rice crop adjustment for 1994 and 1995 will be made in early October, after the ministry sees its rice harvest index due out in mid-September and assesses this year's crop with the Finance Ministry, they said.

The announcement will be earlier than usual, as farmers' associations are calling for an early announcement to allow them enough time to prepare for rice production, the sources said.

State Funding for Fiber Optic Project Urged

OW3008092293 Tokyo KYODO in English 0630 GMT
30 Aug 93

[Text] Tokyo, Aug. 30 KYODO—The telecommunications council on Monday recommended that the government take the initiative in setting up a model enterprise for a next-generation communications network so as to relieve the burden of the private sector.

Takenori Kanzaki, minister of posts and telecommunications, was told by his advisory panel that the government should shoulder more financial burden than planned in the 5 billion yen telecommunications project to experimentally connect homes in a specially designated area in the Kansai region with optical fiber cables.

Under the supplementary budget for the current fiscal year, 2 billion yen in public funds has been allocated for the scheme, with the remaining 3 billion yen expected to be provided by the private sector. The project emerged

in the light of increasing debates about the need for the government to enhance new types of social infrastructure, in addition to traditional ones like construction of roads.

The panel said the easing of the private sector burden would contribute to achieving "neutrality" of the project. Some analysts said, however, that it is a move that supports the posts and telecommunications ministry's desire to take initiatives on optical fibers instead of Nippon Telegraph and Telephone Corp.

Ministries Agree To 'Jointly Subsidize' Railways

OW3008085993 Tokyo KYODO in English 0734 GMT
30 Aug 93

[Text] Tokyo, Aug. 30 KYODO—The Transport and Home Affairs Ministries have agreed on a plan to jointly subsidize construction of railways financed jointly by local governments and the private sector, officials said Monday [30 August]. The Transport Ministry will pay 25 percent of the cost of building new railroads to be built under joint development projects involving local governments and the private sector.

Officials said the ministry will ask the government Tuesday to allocate 800 million yen from next fiscal year's budget to fund the subsidies.

The Ministry of Home Affairs will allow local governments to issue bonds to cover the construction costs for such projects. The bonds will be redeemed using tax revenues allocated to municipal governments, officials said.

Currently, local governments are allowed to issue bonds to finance such projects only for providing the capital for semiprivate enterprises that they hold more than 50 percent.

The new support plan will allow local governments to raise funds through local government bonds, not only for investment in enterprises but also to cover actual construction costs. The subsidies, however, will be confined to the railways that are connected with subways in or near large cities.

Possible candidates to get subsidies include a 14.6 kilometer railroad connecting northern Tokyo and Urawa City of Saitama Prefecture and a 3-kilometer line in Nagoya.

North Korea

Pyongyang Says IAEA 'Lost Its Impartiality'

SK3108142893 Pyongyang Radio Pyongyang in Korean to South Korea 0752 GMT 31 Aug 93

[Unattributed talk: "Nuclear Threat Against Us Is a Grave Challenge to Korea and Asia and to the Peace of the World"]

[Text] The great leader Comrade Kim Il-sung has taught: The issue of ensuring peace and stability on the Korean peninsula is directly related to the issue of ensuring peace and stability in the world. Peace and stability in the world is inconceivable without peace and stability in the Korean peninsula.

As you know, peace is the most universal ideal of mankind. In particular, peace is most valuable to our nation. If a war breaks out in our country, where the danger of a war has always hovered heavily, the existence of the nation will be jeopardized, not to speak of national reunification. Therefore, the issue concerning peace is the most urgent task that should be preferentially resolved for the sake of national reunification and well-being.

However, our country's situation is still tense because of the maneuvers made by the imperialists and reactionaries. As you know, under the pretext of our nonexistent nuclear issue, the imperialists and reactionaries have put a nuclear threat on us and they have persistently maneuvered to separate and stifle our Republic.

As it has already been known, the imperialists and reactionaries have threatened and pressed us under the pretext of the issue concerning nuclear inspections. Finally, they adopted the so-called resolution against us.

Under the pretext of the nonexistent nuclear issue, the maneuver of putting unfair pressure on our country, which does not possess nuclear weapons, is the manifestation of the arrogance of those who have been accustomed to ignoring the principle of justness and equality in international relations and those have been accustomed to forcing their unilateral will on others.

Because the United States has introduced nuclear weapons to South Korea and has threatened us through nuclear weapons, the nuclear issue has arisen on the Korean peninsula. If the United States had not introduced nuclear weapons to South Korea, the nuclear issue would not have arisen on the Korean peninsula.

The reason why the nuclear issue on the Korean peninsula has been a complex one is that the International Atomic Energy Agency [IAEA] has lost its impartiality, following the lead of a big country, and has forced us to receive unfair special inspections.

In March, our Republic was forced to take the measure of withdrawing from the Nuclear Nonproliferation Treaty. Because of anti-Republic maneuvers by the imperialists and reactionaries, we could not help taking the self-defensive measure, under the circumstances in which we could not implement the duties pursuant to the treaty any more and in which the supreme interest of the nation was infringed upon.

As we have asserted repeatedly, we have neither the will nor the capability of producing nuclear weapons. The consistent position of our Republic is to turn the Korean peninsula into a nonnuclear peace zone. This position of

ours was clearly proven once again in the recent DPRK-U.S. talks. Nevertheless, the imperialists and their followers are attempting to impose unjust pressure on our country with the nuclear issue. This is clearly the wanton infringement [nanpokhan chimhae] on the sovereignty of our Republic, and a criminal act of aggravating tensions on the Korean peninsula. If nuclear war breaks out on the Korean peninsula, it will spread into a worldwide thermonuclear war.

A peaceful Korea is necessary for a peaceful Asia and a peaceful world. Therefore, to crush [chitpushoborinungosun] the nuclear threat of the imperialists and the reactionaries against us is the fundamental problem to ensure peace in Korea, Asia, and the world.

The position and attitude taken toward the problem of crushing the nuclear threat of the imperialists and the reactionaries and turning the Korean peninsula into a nonnuclear peace zone, is the criterion that determines whether they want peace or not.

The proposal put forward by our Republic for turning the Korean peninsula into a nonnuclear peace zone is the just and fair proposal acceptable to everyone. Our Republic will make in the future every sincere effort to denuclearize the Korean peninsula to reach the noble position of ensuring durable peace in our country, Asia, and the world.

We, the Korean people are the ones who are responsible for bringing to an end the danger of war and ensuring peace in this land. All the Korean people in the North, the South, and overseas should be united firmly and launch themselves into the struggle to crush the maneuvers of imperialists and reactionaries.

The imperialists and reactionaries should see the reality squarely and should not act foolishly.

Spokesman Issues Statement on North-South Talks

SK0109010593 Pyongyang Korean Central Broadcasting Network in Korean 2310 GMT 31 Aug 93

[Press statement by a DPRK spokesman for the North-South high-level talks, on 31 August; place not given—read by announcer]

[Text] Three months have passed since our side put forward a proposal to exchange special envoys for the top leaders of the two sides. During this period, we proceeded from our desire to make a new breakthrough in North-South dialogue to repeatedly urge the South side to renounce its old attitude of confrontation and to accept our epochal proposal for exchanging special envoys.

On 9 August we again expressed our position that the pending issues, including the nuclear issue, be solved through exchanging special envoys of the two sides's top leaders, and not through working-level negotiations,

such as negotiations at the North-South Joint Nuclear Control Committee, but the South side refused to accept our more dynamic [poda chokkukchok] proposal to exchange special envoys. There has been no sign of change in their confrontation, and not a dialogue-seeking attitude.

Wasting time only for antagonism and confrontation without dialogue in the face of the nuclear issue and other issues which await rapid resolution is not beneficial for all intents and purposes. It is also indeed heart-rending from the national viewpoint.

Affirming our side's desire to rapidly settle the present deadlock in North-South relations and to make progress in North-South dialogue in harmony with the DPRK-U.S. talks which are being carried out properly [chohkae chujindoego itnun], I am authorized to assert that our consistent position is to rapidly resolve the issue on denuclearization of the Korean peninsula through North-South dialogue. Our such position has already been confirmed at the DPRK-U.S. talks and has generated unanimous support and sympathy at home and abroad.

However, we regret that the South side, the other party to dialogue, while clamoring about the precedence of the solution to the nuclear issue over other issues, is running in another direction in actual behavior.

As we have already noted, while calling for efforts to resolve the nuclear issue, the South side conducted the Ulchi 93 training and the Ulchi Focus Lens joint military exercise that contradict the Joint Declaration on Denuclearization of the Korean peninsula before us. In addition, by releasing the one-sided announcement that it would conduct the Team Spirit nuclear war exercise, the South is deliberately aggravating the situation. In fact, this is not an attitude for resolving the nuclear issue, but behavior creating obstacles to it.

Worse still, the South side talks about international cooperation while implying that it intended to negotiate face to face with us on the issue. This proves that the South desires neither dialogue with us nor settlement of the nuclear issue. The South is only trying to create artificial obstacles in ongoing DPRK-U.S. talks, which they do not welcome.

The complicated course of North-South dialogue clearly shows the destructive [pagoejogin] effect on dialogue of the provocative large-scale test nuclear war exercise, which the South is conducting with outside forces against us, and the Cold War concept of confrontation which causes the South to be hostile to fellow countrymen in their excessive adherence to differences in ideology and systems.

Today, the internal and external situation concerning the Korean peninsula [chosonbandorul tulossan naewoedongse] faces a new turning point. North-South dialogue and detente on the Korean peninsula, the last square of confrontation in the Cold War era, have been pushed

onto the agenda as an urgent issue by progress in DPRK-U.S. talks [chomihedamui chinjonun naengjonsidaeui majimak taegyoljangin chosonbandoui puknamsaideo taehwawa wanhwarul cholpakhun munjero ilchonge cheghagoitta].

If the South fails to look straight at this change and continues to run counter to dialogue and peace by standing on an anticommunist and anti-North position of confrontation, it will only remain an orphan from the Cold War era.

In light of the serious lesson that North-South dialogue has given us in the past and the current situation which is developing toward detente, the South must free itself from the force of habit.

Proceeding from this position, we hold that the South side should express its clear attitude to stop all hostile nuclear war exercises against its fellow people, stop pursuing the so-called international cooperative system, and stop repeating acts that go against dialogue and peace.

The South side's expression of such an attitude will be a factor in showing the South side's progressive stance toward dialogue and an affirmative response to the exchange of special envoys of the two sides which all fellow countrymen are looking forward to.

If the South side shows a sincere attitude on any form of dialogue, we will not adhere to special-envoy level of talks.

If the South side, due to its own reason, cannot designate the deputy prime minister-level person in charge of reunification issues as envoy, the exchange of special envoys at any level [imuiui kup], designated by the highest-level authorities of the two sides, will be acceptable.

These special envoys can comprehensively discuss and resolve the issue of urgently taking common measures to ease tension and implementing the North-South agreement, together with the issues of denuclearizing the nation, promoting the great unity of the whole country, and various others that are raised in realizing highest-level talks.

We hope that the South side will become our trustworthy dialogue partner for successful North-South dialogue and for solution of urgent, important pending problems like the denuclearization issue at an early date.

When the exchange of special envoys who are mutually trustworthy is realized between the North and the South, the nuclear issue and all other problems in North-South relations can be resolved promptly in accordance with the intention of the highest-level authorities of the two sides, and our efforts for the nation's peace and peaceful reunification will no doubt bring about excellent fruition.

We hope that the South side will ponder our repeated proposals for exchange of special envoys and will show a turning point in its position at an early date with practical actions for the realization of the proposal.

31 August 1993

KCNA Reports Statement

SK0109052393 Pyongyang KCNA in English 0506
GMT 1 Sep 93

[“Statement of Spokesman of North Side Delegation to Inter-Korean High-Level Talks”—KCNA headline]

[Text] Pyongyang, September 1 (KCNA)—If the South side expresses a sincere attitude toward dialogue, we will not make the level of the special envoys conditional, declares the spokesman for the North side delegation to the inter-Korean high-level talks in a statement issued August 31.

The statement was issued on the lapse of three months since the North proposed the exchange of presidential envoys between the North and the South.

It says:

It makes us feel a gnawing ache in our hearts that time is wasted in antagonism and confrontation, without a dialogue, although the nuclear and other pending issues are awaiting an immediate solution.

Reaffirming our side's desire to break the deadlock in the North-South relations at once and promote North-South dialogue in keeping with the progress at the DPRK-USA talks, I state as follows upon authorization:

It is our consistent position to solve as soon as possible the problem of the denuclearization of the Korean peninsula through North-South dialogue.

The progress at the DPRK-USA talks puts on the order of the day dialogue and detente as urgent matters between the North and the South of the Korean peninsula, the last point of confrontation of the Cold War era.

If the South side does not see this change clearly but keeps to the anti-dialogue, anti-peace road from the old position of anti-communist, anti-North confrontation, it will find itself the only orphan of the Cold War era.

In view of the serious lesson of the past North-South dialogue and the trend of the situation toward detente, the South side must decisively abandon its old habit.

We hold that the South side, from this stand, must clearly manifest its willingness to stop all hostile nuclear war exercises against fellow countrymen, refrain from seeking the so-called “international mutual assistance system” and no more repeat acts against dialogue and peace.

The expression of this willingness by the South side will be a manifestation of its progressive stance toward

dialogue and, furthermore, its affirmative response to the exchange of special envoys between the two sides which is earnestly desired by the whole nation.

If the South side show its sincere stance of dialogue in whatever form, we will not make the level of the special envoys conditional.

If the South side cannot appoint the vice-premier in charge of the reunification question as its special envoy for some unavoidable reasons, we will agree to the exchange of special envoys of any level appointed by the top-class authorities of the two sides.

Through the exchange of special envoys the sides will seek a package discussion and solution of the question of denuclearising the country and taking common steps at an early date toward the relaxation of tensions and the implementation of the North-South agreement, the question of promoting the great unity of the whole nation, and the question of realising summit talks.

If the exchange of special envoys trusted by the North and the South is made, the nuclear issue and all the questions of North-South relations will quickly be solved in accordance with the intention of the top-class authorities of the two sides and our efforts for peace of the country and its peaceful reunification will certainly yield good results.

We express the hope that the South side will ponder over our repeated proposals for the exchange of special envoys and show a dramatic change in its stand in practice at an early date to this end.

Cambodian High-Level Delegation Continues Visit

Sihanouk Meets Delegation

*OW3108161093 Pyongyang KCNA in English 1517
GMT 31 Aug 93*

[Text] Pyongyang, August 31 (KCNA)—His Royal Highness Samdech Norodom Sihanouk, head of state, chairman of the Supreme National Council and supreme commander of the Armed Forces of Cambodia, on a goodwill visit to Korea, Monday [30 August] met a high-level delegation of the provisional national government of Cambodia on an official goodwill visit to the Democratic People's Republic of Korea at the invitation of its government.

Present on the occasion were the members of the high-level delegation of the provisional national government of Cambodia led by President Son Sann and First Vice-President Chea Sim of the National Constituent Assembly and Co-Prime Ministers His Royal Highness Prince [H.R.H.] Norodom Ranariddh and Hun Sen.

H.R.H. Samdech Norodom Sihanouk conversed with the members of the delegation.

He arranged a banquet for them and saw a film with them in the evening.

Officials Receive Delegation

*SK0109085393 Pyongyang KCNA in English 0436
GMT 1 Sep 93*

[Text] Pyongyang, September 1 (KCNA)—The government delegation of the DPRK had talks with the high-level delegation of the Provisional National Government of Cambodia at the Mansudae Assembly Hall on August 31.

Present on our side were Premier Kang Song-san, chairman of the Supreme People's Assembly Yang Hyong-sop, chairman of External Economic Affairs Commission Yi Song-tae, Vice Minister of People's Armed Forces Kim Kwang-chin, Vice Minister of Foreign Affairs Cho Kyu-il, DPRK Ambassador to Cambodia Kim Hyong-yul and officials concerned.

Present on the opposite side were His Excellency Son Sann, president, and His Excellency Chea Sim, first vice president of the National Constituent Assembly, co-prime ministers His Royal Highness Prince Norodom Ranariddh and His Excellency Hun Sen, Minister of State Hor Namhong, Minister of Foreign Affairs and International Cooperation His Royal Highness Prince Norodom Sirivudh, Minister of Agriculture, Forestry, and Fishery Kong Sam Ol, co-ministers in charge of the cabinet of the Council of Ministers Sok An and Veng Sereyvuth, other members of the delegation and Cambodian Ambassador to Korea Oum Mannorine.

The sides informed each other of the situation of their countries and exchanged views on the further development of the friendly and cooperative relations between the two countries and on a series of matters of common concern.

The talks took place in a friendly atmosphere.

Government Hosts Banquet

*SK0109090693 Pyongyang KCNA in English 0452
GMT 1 Sep 93*

[Text] Pyongyang, September 1 (KCNA)—The government of the Democratic People's Republic of Korea arranged a banquet at the Mansudae Assembly Hall on Tuesday [31 August] for the high-level delegation of the Provisional National Government of Cambodia on an official goodwill visit to Korea.

Premier Kang Song-san made a speech at the banquet.

"The successful holding of the general elections and the establishment of the Provisional National Government in Cambodia was an important event of epochal significance in the life of the Cambodian people," he said, and continued:

"We are convinced that the provisional national government and people of Cambodia will successfully build a

new Cambodia, an independent, neutral and non-aligned country which has achieved territorial integrity, in the land of Cambodia by pushing ahead with the reconstruction of their country, upholding the noble intentions of His Royal Highness Esteemed Samdech Norodom Sihanouk.

"The Korea-Cambodia friendship based on the particular intimacy and noble obligations between the great leader Comrade Kim Il-song and His Royal Highness Esteemed Samdech Norodom Sihanouk is a solid and vital one."

The speaker said the dear leader of the Korean people Comrade Kim Chong-il values the friendship between the two countries and lays stress on steadily strengthening and developing it.

"We are making all efforts to continuously expand and develop the friendly and cooperative relations between our two countries in various domains, upholding the lofty intentions of the dear leader Comrade Kim Chong-il," he stressed.

His Royal Highness Prince Norodom Ranariddh, co-prime minister of the Provisional National Government of Cambodia, spoke next.

This visit to the DPRK, a beautiful country, he said, gave the Cambodian delegation an opportunity to witness all the more prosperous brilliant achievements made by the fraternal Korean people in the construction of the country and national defence domain, standing all tests, under the wise and energetic guidance of His Excellency Generalissimo Kim Il-song and His Excellency Marshal Kim Chong-il.

He said:

"The Cambodian people highly estimate the achievements of the fraternal an people in socialist construction and fully support all the stand of the DPRK on the conversion of the Korean peninsula into a nuclear-free zone and non-interference in other's internal affairs.

"We also actively support the just line and policies put forward by His Excellency Generalissimo Kim Il-song for the reunification of Korea.

"We take this meaningful opportunity of expressing our most heartfelt thanks to the Workers' Party, government and people of Korea for their support and encouragement to Cambodia's cause of peace and national unity."

Premier Meets Delegation

SK0109090793 Pyongyang KCNA in English 0454
GMT 1 Sep 93

[Text] Pyongyang, September 1 (KCNA)—Premier of the Administration Council Kang Song-san on August 31 met and had a friendly conversation at the Mansudae Assembly Hall with the high- level delegation of the Provisional National Government of Cambodia led by His Excellency Son Sann, president, and His Excellency

Cheu Sim, first vice-president, of the National Constituent Assembly, co- prime ministers His Royal Highness Prince Norodom Ranariddh and His Excellency Hun Sen, who paid a courtesy call on him.

Present there were chairman of the Supreme People's Assembly Yang Hyong-sop, officials concerned, DPRK Ambassador to Cambodia Kim Hyong-yul and Cambodian Ambassador to Korea Oum Mannorine.

KCNA Interviews Russian Communist Party Guest

SK0109002793 Pyongyang KCNA in English 1504
GMT 31 Aug 93

[Text] Pyongyang, August 31 (KCNA)—V. I. Zorkaltzev, vice- chairman of the Central Executive Committee of the Federal Communist Party of Russia, stressed that Korea is now unshakably and confidently advancing along the road of socialism because of the might of the singlehearted unity of the leader, the party and the masses in a body.

He said in an interview with a KCNA reporter in Pyongyang that the revolutionary traditions established by the party and the leader are brilliantly being carried forward in Korea.

He noted he realised that Korea building socialism centered on the popular masses is, indeed, a true society for people and he realized through the bright looks of the Korean people that no one dares to provoke Korea.

Saying that anything of Korea has been splendidly built under a far-sighted plan and every building is associated with love for the people, he stressed that all the achievements of the Korean people in the socialist construction are the result of the wise leadership and great idea of the great leader.

SRV Ambassador Hosts Party on National Day

SK0109090593 Pyongyang KCNA in English 0444
GMT 1 Sep 93

[Text] Pyongyang, September 1 (KCNA)—Vietnamese Ambassador to Korea Duong Chinh Thuc arranged a film show and a cocktail party at his embassy on August 31 on the occasion of the 48th anniversary of the national day of the Socialist Republic of Vietnam.

Present on invitation were Vice-Minister of Foreign Minister Yi In-kyu, Vice-Chairman of the External Economic Affairs Commission Han Su-kil, Vice-Chairman of the State Education Commission and Chairman of the Korea-Vietnam Friendship Association Yi Kwan-su, Vice-Chairperson of the Committee for Cultural Relations With Foreign Countries Chon Yon-ok and other officials concerned.

The participants appreciated a Vietnamese documentary film.

Then followed a cocktail party at which speeches were exchanged.

Meeting Marks Anniversary of Libyan Revolution

*SK0109090893 Pyongyang KCNA in English 0456
GMT 1 Sep 93*

[Text] Pyongyang, September 1 (KCNA)—A meeting was held in Pyongyang on August 31 to mark the 24th anniversary of the great September first revolution in Libya.

Present on invitation were Ramadan Muhammad al-Ra'ubi, acting secretary of the People's Committee of the People's Bureau of the Great Socialist People's Libyan Arab Jamahiriyyah to Korea, and an official of the bureau.

Present were Yi Chol-sin, vice-chairman of the Committee for Cultural Relations With Foreign Countries and vice-chairman of the Korea-Libya Friendship Association, officials concerned and working people in the city.

Speeches were made at the meeting.

A congratulatory letter to the leader of the great September first revolution was adopted at the meeting.

Kim Il-song Sends Messages to Foreign Leaders

*SK0109084693 Pyongyang KCNA in English 0428
GMT 1 Sep 93*

[Text] Pyongyang, September 1 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, sent messages to foreign party and state leaders in reply to their messages and letters on the 40th anniversary of the Korean people's victory in the Fatherland Liberation War and in the month of international solidarity with the Korean people.

He sent replies to Fidel Castro Ruz, first secretary of the C.C. [Central Committee], the Communist Party of Cuba, president of the council of state and president of the Council of Ministers of the Republic of Cuba; Nouhak Phoumsavan, president of the Lao People's Democratic Republic; Hafiz al-Asad, president of the Syrian Arab Republic; his Royal Highness Samdech Norodom Sihanouk, head of state, chairman of the Supreme National Council and supreme commander of the Armed Forces of Cambodia; His Royal Highness Prince Norodom Ranariddh and Hun Sen, co-prime ministers of the Provisional National Government of Cambodia; Burhanuddin Rabbani, president of the Islamic State of Afghanistan; Ilyas al-Harawi, president of the Republic of Lebanon; Jerry John Rawlings, president of the Republic of Ghana; Mahamane Ousmane, president of the Republic of Niger; Zafy Albert, president of the Republic of Madagascar; Alpha Oumar Konare, president and head of state of the Republic of

Mali; Blaise Compaore, president, head of state and chairman of the Council of Ministers of Burkina Faso; Nicephore Soglo, president of the Republic of Benin; Abdou Diouf, president of the Republic of Senegal; France Albert Rene, president of the Republic of Seychelles; Obiang Nguema Mbasogo, president of the Republic of Equatorial Guinea and founder-president of the Democratic Party of Equatorial Guinea; Pascal Lissouba, president and head of state of the Republic of the Congo; Ali Kafi, president of the High State Committee of the Algerian Democratic and People's Republic; Meles Zenawi, president of the Transitional Government and president of representatives of Ethiopia; Yasir 'Arafat, president of the state of Palestine and chairman of the Executive Committee of the Palestine Liberation Organization; Muhammad Husni Mubarak, president of the Arab Republic of Egypt; Lansana Conte, president and head of state of Guinea; and Gnassingbe Eyadema, president of the Republic of Togo.

President Kim Il-song expressed deep thanks to them for their warm congratulations and solidarity on the occasions.

He also expressed the belief that the excellent relations of friendship and cooperation existing between Korea and their countries would grow stronger and develop.

Kim Chong-il Sends Messages to Foreign Leaders

*SK0109084793 Pyongyang KCNA in English 0432
GMT 1 Sep 93*

[Text] Pyongyang, September 1 (KCNA)—The dear leader Comrade Kim Chong-il sent messages to heads of state of different countries in reply to their messages and letters on the 40th anniversary of the Korean people's victory in the Fatherland Liberation War and in the month of international solidarity with the Korean people.

He sent replies to His Royal Highness Prince Norodom Ranariddh and Hun Sen, co-prime Ministers of the Provisional National Government of Cambodia; Blaise Compaore, president, head of state, chairman of the Council of Ministers and supreme commander of the Armed Forces of Burkina Faso; Obiang Nguema Mbasogo, president and commander-in-chief of the Armed Forces of Equatorial Guinea; Muhammad Husni Mubarak, president of the Arab Republic of Egypt.

He expressed deep thanks to them for their messages and letters on the occasions.

He expressed the belief that the friendly and cooperative relations between the peoples and armies of Korea and their countries would grow stronger and develop and wished them greater success in their work for the progress of their countries.

Newspaper Commemorates Malaysian Independence

*SK3108113793 Pyongyang KCNA in English 1020
GMT 31 Aug 93*

[Text] Pyongyang, August 31 (KCNA)—MINJU CHOSON today observes the 36th anniversary of the independence day of Malaysia.

The independence of Malaysia on August 31, 1957, opened a broad avenue to the people of the country for the building of a new society, the paper says in a by-lined article, and goes on:

After the independence the Malaysian people have made many successes in building a new society.

Malaysia, a member of ASEAN, is strengthening cooperation and solidarity with other member nations and striving to realize the denuclearization of the Southeast Asian region.

The Korean people rejoice over the achievements made by the Malaysian people in building a new society.

Friendship between the two countries has developed on good terms since they opened diplomatic relations at ambassadorial level on June 30, 1973.

The Korean people believe that the friendship will continue to strengthen and develop and wish the Malaysian people greater success in their efforts for national prosperity.

Delegations Depart for India, China

*SK2808110693 Pyongyang KCNA in English 1043
GMT 28 Aug 93*

[Text] Pyongyang, August 28 (KCNA)—A Korean delegation led by Kim Chae-yol, minister of forestry, to participate in a ministerial conference of developing countries on forestry due to be held in India, and a delegation of the Kangwon provincial committee of the Workers' Party of Korea headed by Chief Secretary Im Hyong-ku, to pay a visit to China, left here today by air.

Olympic Committee Spokesman Issues Statement

*SK0109061593 Pyongyang KCNA in English 0515
GMT 1 Sep 93*

[“Statement of DPRK Olympic Committee Spokesman”—KCNA headline]

[Text] Pyongyang, September 1 (KCNA)—A spokesman for the DPRK Olympic Committee in a statement Tuesday [31 August] denounced the recent insolent remarks of an official of the South Korean “Ministry of Culture and Sports” groundlessly hurling abuses at the DPRK’s sports activities.

The South Korean official said North Korea’s sports is “part of politics” and North Korea has not sent sports teams to international games since the first East Asian

Games this year and has not sent invitations to the Pyongyang meeting of the East Asian Games Council for the preparation of the second East Asian Games.

Commenting on his unreasonable and imprudent, nonsensical talk which does not accord with the reality, the spokesman said:

The conversion of sports into an appendage to politics cannot be discussed apart from South Korean sports in the world sports circles today.

As the world people have admitted from long ago, it has been a customary method in South Korea to organize large-scale international games as expedients to lull the people’s struggle for democracy, divert their attention elsewhere and thus subordinate them to “power security” whenever the colonial political situation became unstable and the foundation of the power of flunkeyist rulers was shaky.

And this time the South Korean “Culture and Sports Ministry” official provoked us in a crafty attempt to get on our nerves, alleging that our sports teams did not participate in international games because of some problem. We cannot but refute this as too childish a method.

Our teams participated in the World Skeet Shooting Championships held in Spain in June this year, the World Cup Shooting Tourney in Germany in the same month, the Asian Women’s Volleyball Championships and Asian Women’s Handball Championships in China in July and August and other international games in various countries including Russia. What were they, if not international games?

Trying to find fault with others groundlessly or do harm to others clumsily only invites ridicule.

As far as his talk about invitation to the meeting of the East Asian Games Council is concerned, we make it clear that we mean what we say.

He must know clearly that his act of haggling over the date of issue of invitation cards, not closely studying the rules of the East Asian Games Council, only fully revealed to the whole world the wretched sight of one slinging mud at his own fellow countrymen.

He should learn to behave prudently and ponder over matters and speak reasonably, if he wanted to speak a few words for the South Korean sports circles.

Availing ourselves of this opportunity, we make it clear that we will do our utmost in the future, too, to make our sports activities truly a foundation of the struggle for national reunification and make it contribute to world peace and friendship among the peoples. At the same time, we warn that only curses and condemnations of the nation will await those who try in words and deeds to sling mud at the fellow countrymen and seek more acute antagonism, not reconciliation, between the North and the South even in the sports field.

Kim Il-song Gives Guidance in South Hwanghae

*SK0109072493 Pyongyang Korean Central
Broadcasting Network in Korean 2100 GMT 31 Aug 93*

[Text] The great leader Comrade Kim Il-song has given on-the-spot guidance [hyonji chido] to cooperative farms in South Hwanghae Province.

The great leader of our party and our people, Comrade Kim Il-song, gave on-the-spot guidance to cooperative farms in South Hwanghae Province on 31 August. Those who accompanied him were Choe Yong-nim, vice premier of the Administration Council; Kim Won-chin, chairman of the Agricultural Committee; Paek Pom-su, chief secretary of the South Hwanghae Provincial Party Committee and chairman of the South Hwanghae Provincial People's Committee; and officials concerned.

That day, the great leader Comrade Kim Il-song visited the (Suwon) Farm and (Kumsong) Cooperative Farm of Paekchon County; the (Ojon) and (Chontae) Cooperative Farms of Yonan County; and the (Chongjung) Cooperative Farm of Chongdan County. During the visit, he examined the status of farm work for this year; expressed great satisfaction over the fact that the agricultural workers in Yonbaek field are seeing good prospects for an unprecedented bumper crop [yenyon omnun taepungjak] by upholding the party's agriculture-first policy and by carrying out farm work in the chuch'e-oriented farming method well; and highly praised agricultural workers for their achievements.

After taking a look at farms, the great leader convened an agricultural workers council on the spot and gave programmatic teaching that will serve as a guideline in upgrading the agricultural work of South Hwanghae Province to a new higher level.

The great leader Comrade Kim Il-song said: The South Hwanghae Province will happily see a bumper crop again this year. This is because the work of building irrigation systems and using electric equipment in farming, which was presented in the socialist rural thesis, has been brilliantly carried out and because all farm work has been conducted scientifically and technologically. He also said that the proud achievements in agriculture for this year are clear proof of the justness of our party's agricultural policy.

The great leader Comrade Kim Il-song said that the Yonbaek field in Paekchon, Yonan, and Chongdan Counties is one of the important granaries of our country. He also set next year's goals for the three countries to fulfill.

The great leader Comrade Kim Il-song said that the cooperative farms in the Yonbaek Field would be able to markedly increase the rice yield in paddies compared to previous years because they did farm work scientifically

and technologically according to geographical conditions. He instructed that learning from these experiences, the cooperative farms must raise rice seedlings well, carry out paddy leveling work well, and sufficiently apply fertilizers.

The great leader Comrade Kim Il-song taught that to positively increase grain production by efficiently using chemical fertilizers, (?vinyl), and other farming equipment, agricultural guidance officials and agricultural workers must meticulously carry out farm work and all the other farm affairs as masters.

The great leader Comrade Kim Il-song also said that various chemical fertilizers must be produced in larger quantities and sent to the rural areas to endlessly increase grain production. He elucidated concrete ways towards that end.

The great leader Comrade Kim Il-song taught that all farm work must be mechanized for farmers to increase grain production with less labor and that farm work mechanization must be completed by the 30th anniversary of the publication of the rural thesis with production and supply of more tractors, vehicles, and various other agricultural equipment to rural areas and with more extensive overall use of agricultural equipment in farm work.

The great leader Comrade Kim Il-song said that reaping a bumper crop in a timely manner without losing any grain is the most important task in the rural economy and that harvesting and threshing must be completed in a short period of time with excellent preparations.

All the agricultural workers in South Hwanghae Province are filled with a firm resolve to fulfill the party's plan—to more satisfactorily solve people's food, clothing, and housing problems—and more highly display the superiority of our party's socialist rural economic system by thoroughly implementing the on-the-spot guidance of the great leader Comrade Kim Il-song and, thus, making marked changes in agricultural production.

KCNA Profiles Spring Water Used for Export

*SK3108114293 Pyongyang KCNA in English 1024
GMT 31 Aug 93*

[Text] Pyongyang, August 31 (KCNA)—Sindok spring water of Korea is known to many countries as a drink of longevity.

The water gushes from a depth of 60 metres on the slope of Mt. Osok, Onchon County, South Pyongan Province, on the western coast of the country.

The spring was discovered more than 300 years ago.

An analysis disclosed that its water is better than the well-known Evian water of France.

One litre of the water contains 0.002 mg of iron, 0.0003 mg of copper, 0.0007 mg of molybdenum, 0.325 mg of

fluorine, 0.6 mg of kalium, 0.3 mg of sodium, 0.013 mg of zinc, 0.0016 mg of manganese and other micro elements good for health and longevity.

It is completely germ free.

It plays important functions in preventing indigestion, disordered blood pressure, arteriosclerosis, skin diseases and aging and keeping the vigor of youth.

The average life expectancy at birth of the local population is above 80. Many people have lived more than 120 years.

For its special taste and high medicinal efficacy, the demand for the spring water is increasing with each passing day.

Beer and soft drinks made of the water is very popular in other countries.

Korea built a modern Sindok spring water factory on the spot to fully satisfy the growing demands for the water.

The annual production capacity of the factory with a total floor space of 6,000 square metres is some 50,000 tons. The production processes are fully automated.

Correction on Kim Il-song Seeing North Hamgyong

SK3108004293

The following correction pertains to the item on Kim Il-song's public activities subtitled, "Inspects North Hamgyong," published in the 30 August East Asia DAILY REPORT, pages 18 and 19.

Page 18, second column, second paragraph, second sentence, should read: During this period, the great leader Comrade Kim Il-song gave on-the-spot guidance [hyonji chido] on Namjak cooperative farm in Yonsa County and other various units, including Tojongsan District. (correcting place names)

South Korea

YONHAP on U.S. Condition for DPRK Talks

SK0109020993 Seoul YONHAP in English 0109 GMT
1 Sep 93

[Text] Washington, Aug. 31 (YONHAP)—The U.S. State Department said Tuesday that if North Korea refuses to resume dialogue with South Korea, the United States will not hold a third round of high-level talks with Pyongyang.

Winston Lord, assistant secretary of state for East Asian and Pacific affairs, told a special briefing for the press that in order for the United States and North Korea to have a third round of talks there were two very clear conditions that had to be met.

One condition, he said, is meaningful dialogue, including on the nuclear question, between South and North Korea.

The United States position is that the future of that peninsula in general, including on the nuclear question, and particularly with respect to implementation of the joint nuclear declaration between South and North Korea, should be worked out by the South and North directly, Lord said.

South Korea has been increasingly flexible in the format of the inter-Korean talks, he said.

"We would hope that North Korea would respond to South Korean flexibility," he said.

"I think you see this evidence even further this week," he said. "So, we would hope North Korea would respond to that."

"If they don't sit down with South Korea, then we can't reconvene the (U.S.) talks with North Korea," he said.

The other condition is that North Korea has to engage in substantive discussion with the International Atomic Energy Agency (IAEA), he said.

An IAEA team is back in North Korea, he noted and said: "It is important that those talks be constructive."

"Meaningful engagement with the IAEA is one condition, and we'll have to see how that plays out the next few days," he added.

"We're willing to talk to North Korea," Lord said. "We think we've made some significant progress, although there's some very serious problems still remaining."

Lord declared the United States was talking to North Korea on behalf of the international community.

"This is not a bilateral problem," he said. "This is a problem not only between South and North Korea, but we consult very closely not only with South Korea but with Japan."

"It is a problem for the United Nations, for the IAEA and for the entire world community that's worried about nonproliferation of weapons of mass destruction," he said.

Daily on Lack of U.S. Budgeting for Team Spirit

SK3108132993 Seoul KYONGHYANG SINMUN in
Korean 31 Aug 93 p 4

[By Chong In-hwa]

[Text] It seems that the Team Spirit exercise will not be held next year, as the U.S. Government has not budgeted for it for 1994.

However, as our government official stated, the fact that the United States did not budget for Team Spirit does not mean that the exercise will be suspended, because the

United States may decide to hold Team Spirit depending on how the U.S.-North Korean talks develop. If a decision is made to hold Team Spirit, the United States can use emergency funds for it.

Our government, however, was quite embarrassed, because the United States had never failed to consult with our government prior to outlining its budget. Our government has adhered to its hard-line position on the North Korean nuclear issue. In view of this, Team Spirit was the best card our government possessed because it knows well that North Korea is sensitive to Team Spirit. North Korea has consistently demanded the suspension of the Team Spirit exercise every time the South-North dialogue has been held and during its negotiations with the United States. Team Spirit was the direct factor causing North Korea's 12 March declaration of its withdrawal from the Nuclear Nonproliferation Treaty.

Accordingly, NCND (neither confirm nor deny) was regarded as the best policy for the Team Spirit issue, the number one card in negotiations with North Korea. Domestic media have been asked to abstain, if possible, from reporting whether the Team Spirit would be held or not in 1994, while being told that this would be preferable in the interest of the country.

However, it has been said that because the U.S. Government did not set aside money for the Team Spirit exercise in its budget for next year indicates that, in reality, the United States accepted North Korea's demand, instead of considering our government's position on U.S.-North Korean relations.

When the North Korea-U.S. joint declaration, which stipulates that both sides should not use armed force or pose a threat against each other, was issued right after the first round of high-level talks between North Korea and the United States, people were able to anticipate that the Team Spirit would not be held in 1994.

The United States may hold the Team Spirit exercise again if negotiations with North Korea make no progress. However, analysts say that the sincere attitude of not allocating money for Team Spirit in next year's budget suggests the U.S. demand that North Korea change its attitude for resolving the nuclear issue.

It seems that our government cannot help but establish strategies for South-North dialogue following the suspension of Team Spirit, taking the U.S. position into consideration.

After it was agreed in South-North high-level talks in 1991 that the Team Spirit exercise would not be held in 1992, South and North Korea developed the atmosphere for dialogue by holding talks in Seoul and Pyongyang last year.

At the eighth round of South-North talks in September 1992, they agreed to hold the ninth round of talks in Seoul in December 1992. Despite the agreement, however, all channels for South-North dialogue had been cut

off up to now because of the issue concerning the resumption of the Team Spirit.

The ROK and the United States had stressed the need to "continue to hold the exercise annually" until 1987 when they held the 19th annual ROK-U.S. Security Consultative Meeting. However, they did not use the expression, "annually," for the first time in 1988, and since 1989 they have stressed only the significance of the exercise.

The change of language on Team Spirit is considered to reflect the change of the U.S. attitude toward the exercise. The main reason for this change seems to be the question of sharing the expenses for the exercise.

For 1991, the ROK spent 10.5 billion won for the Team Spirit exercise while the United States spent over three times as much.

Board Checks U.S. Documents on Fighter Sale

SK0109083293 Seoul YONHAP in English 0554 GMT
1 Sep 93

[Text] Seoul, Sept. 1 (YONHAP)—The Board of Audit and Inspection (BAI) concluded Wednesday that the documents it received from the U.S. State Department are of little help in trying to unravel the suspicions that surround Korea's military buildup program, the Yulgok project, and uncover the reality.

The independent government agency will wind up its investigation as soon as Former President No Tae-u answers a questionnaire on the Yulgok project, a senior BAI official said.

"Seven analysts examined the materials that Washington handed over on Aug. 27, but found nothing that could be helpful to our investigation such as the possibility of commissions involved in transactions," he said.

There is no way to discover if black money was involved because even the two documents of the U.S. General Accounting Office, an investigative arm of Congress, on joint manufacturing and delivery of the General Dynamics F-16 were details of its approval of their export, he said.

The BAI had hoped the U.S. materials would help bring to light why the Korean Government chose the McDonnell Douglas F/A-18 and then switched to the F-16 for the ROK Air Force's next generation fighter aircraft.

It won't, however, be asking for more assistance from the United States, and will close its investigation as soon as No, who was president when the switch was made, answers its questions, the official said.

Seoul, Washington Extend Textile Agreement

SK0109091493 Seoul YONHAP in English 0835 GMT
1 Sep 93

[Text] Seoul, Sept. 1 (YONHAP)—Seoul and Washington have decided to extend their bilateral textile agreement, due to expire this year, until 1995, the Trade, Industry and Energy Ministry said Wednesday.

The two sides agreed to prolong the two-year agreement by two years to examine whether Washington's proposal of a provision to check roundabout exports concides with the Uruguay Round textile agreement draft in three days of talks in Seoul from Monday.

Jennifer Hillman, the U.S. Trade Representative's chief textile negotiator, headed the U.S. delegation, while No Yong-uk, director-general of the Ministry's Trade Cooperation Bureau, represented Seoul.

The U.S. side insisted on excluding volume equal to roundabout exports from textile quotas when roundabout trade practices such as transshipment of textile quotas, change in ship routes, and fabrication of place of origin are discovered.

If the case is more than twice, it requested to deduct three times the volume of roundabout exports from quota across three years.

The U.S. proposal can apply to China and Hong Kong, who were accused of roundabout exports in the past, and giving Korea, which is innocent of such illegal practices, the same treatment is unfair, Seoul officials argued.

Korea will study whether Washington's proposal agrees with the textile bill and lengthen the current agreement until it comes to a conclusion.

If it finds the U.S. request at odds with the multilateral agreement, the two countries will meet again to discuss whether to extend the existing accord further.

Paper Supports U.S.-South Cooperation on North

SK0109100893 Seoul CHOSON ILBO in Korean
1 Sep 93 p 23

[From the column "Unification Road" by To Chun-ho, deputy director of the newspaper's North Korean affairs department: "Two- Track Strategy Toward the United States and the South"]

[Text] International Atomic Energy Agency [IAEA] and North Korean delegations are discussing, in Pyongyang, North Korea, the nuclear inspection issue, including a special inspection of two unreported areas in Yongbyon. As long as North Korea, however, does not change its attitude fundamentally, the outlook for the success of IAEA-North Korean talks is pessimistic. This is because before the IAEA and North Korea began the talks, North Korea repeatedly insisted that it will deal with the issue of the IAEA's impartiality on a priority basis. This is also

because the talks take on a procedural nature as a stepping-stone for the third round of talks with the United States.

In this connection, we need to examine closely North Korea's intention of taking advantage of the nuclear inspection issue as a lever: We need to pay heed to what concession North Korea is trying to wring from the United States and in which direction North Korea is trying to drag North-South relations. A report by Dr. Peter Hays, a U.S. nuclear expert, who went to North Korea last May at the invitation of Kim Yong-sun, secretary of the Workers Party of Korea in charge of South Korean affairs, helps us to understand North Korea's intention.

With regard to North Korea's external policies, Kim Yong-sun is exercising substantial influence together with Kang Sok-chu, who was North Korea's head delegate at the Geneva talks. After having interviews with Kim Yong-sun for three and half hours on two different occasions, Dr. Peter Hays prepared this report. A statement in this report, which draws our attention, is Kim Yong-sun's views on the United States: Kim Yong-sun thinks that the most important thing in U.S.-North Korean relations is to build mutual trust. Kim has repeatedly stressed that once mutual trust is built up, all issues as well as the nuclear issue can be resolved smoothly.

The report also quotes Kim Yong-sun's remarks, saying: "There are no permanent foes and allies in international relations. The international order is being reorganized after the Cold War's ending. I think that North Korea has the right to become a friend with the United States, just as the United Kingdom and France make peace with other countries in such a process." Kim adds: "I think that a suspicion which the United States has of North Korea can be dispelled through direct, candid dialogue between the parties." Kim continues to say: "the United States will be able to have access to immense markets of the PRC and Russia if the United States participates in the development of the Sonbong Free Trade Zone."

Kim's statements imply that North Korea regards the improvement of relations with the United States as more important than with South Korea, thus unveiling its eager intention to woo economic cooperation from the United States. In North-South relations, North Korea emphasizes, in particular, the "10-point program of great national unity for the whole nation" personally prepared by Kim Il-sung and regards the nuclear issue as part of the 10-point program.

"The 10-point program of great national unity for the whole nation is a message in reply to President Kim Jong-sam's inauguration speech, which includes a statement saying 'no allied country is better than the nation.'" "The 10-point program includes four preconditions such as giving up the policy that relies on outside force and expressing the will to withdraw U.S. troops from South Korea. We hope that South Korea will positively

respond to these preconditions." "The nuclear issue should be dealt with as part of the 10-point program."

Dr. Hays understands that Kim Chong-il and his forces prefer a limited reform in order to suppress conservative opposition and to bring about unity within North Korea and thus chose the nuclear issue as their firm card. We, however, can detect from this report "North Korea's two-track strategy in which North Korea is trying internationally to make a flexible gesture toward the United States, while it is taking a tough stance toward South Korea."

Therefore, we should further forge cooperation with the United States. Otherwise, we may be reduced to the position of a third party in the third round of U.S.-North Korea talks. We need to convey our clear message to U.S. head delegate Robert Gallucci, who is slated to visit the ROK on 8 September.

'News Analysis' on Russian Statement on KAL
SK3108035393 Seoul YONHAP in English 0158 GMT
31 Aug 93

[“News Analysis” by Kim Hong-sik: “Moscow Seen Trying To Avoid Paying Compensation for KAL-007”]

[Text] Moscow, Aug. 31 (YONHAP)—The Russian Government's statement Monday [30 August] on the results of its own independent investigation of the shooting down of a Korean Air Lines (KAL) plane 10 years ago was aimed obviously at avoiding the responsibility to pay compensation for the victims of flight 007.

In the statement released two days before the 10th anniversary of the incident, the Russian Government blamed the pilot of the jetliner shot down Sept. 1, 1983, by a Soviet fighter over Sakhalin, killing all 269 passengers and crew, while it was en route from New York to Seoul.

Sergey Filatov, a top administrative aide to President Boris Yeltsin and head of the investigation, insisted that Russia had done nothing wrong and has no responsibility for the incident.

The shootdown of the jetliner by the Soviet fighter was a justifiable action, Filatov said. The Soviet Air Force had the duty to stop any foreign aircraft trying to intrude Soviet air space under the Soviet laws governing its boundaries.

Therefore, the shootdown was a legally justifiable measure, Filatov stressed.

The Russian findings are on the whole similar to those of the International Civil Aviation Organization (ICAO) in June, but the prominent feature of the Russian report was the emphasis on the alleged mistake of the pilot of KAL-007.

In that respect, Monday's statement is seen by many analysts as an indication that the Russian Government will not pay any compensation for the victims.

Filatov said that the question of compensation was not an issue his investigation team was concerned with, but as long as the responsibility for the incident rests solely with the pilot of the Korean plane, Filatov indicated, Moscow will reject demands for compensation.

In its final report, the ICAO attributed the main cause of the incident to the fact that the KAL-007 crew was unaware their plane was veering from its prescribed route because they did not follow proper flight procedures.

Secondly, the ICAO said the Soviet authority failed to make enough effort to recognize whether the flying object was a civilian aircraft.

Judging by these points made by the ICAO, the Soviet Union could not avoid taking responsibility for the incident and it was on that basis that the question of compensation was raised.

In fact, the Russian Government was very helpful when it offered to make public the original transcript of the black-box of KAL-007 and other measures to improve relations with South Korea.

Yeltsin himself denounced the shootdown as “a criminal act” when he visited South Korea last year.

The sudden about-face by Moscow shown in Monday's report, therefore, came as a surprise to many officials and observers. It could only be a clear expression of the Russian Government that it does not want to take any responsibility when it is obvious it should.

Some diplomatic experts say the Russian Government which is suffering an acute shortage of foreign currency and grave economic crisis, is employing a “two-pronged” strategy.

While it is showing conciliatory gestures of offering the black-box and sponsoring a memorial service for the victims on the 10th anniversary, Moscow is trying to shift all responsibility of the tragedy to the crew of KAL-007.

Officials at the Korean Embassy in Moscow, puzzled by the sudden change in Russian attitude, are trying to fathom the true intention and background that prompted Monday's announcement.

Nevertheless, the prevailing atmosphere in the Korean Embassy is that South Korea cannot accept the Russian statement.

In addition to the KAL-007 question, there have been a host of pending and thorny issues between Seoul and Moscow including the repayments of South Korean

loans, the return of the site of the former Russian Legation in Seoul and fishing disputes in the Sea of Okhotsk.

It is especially noteworthy that the Russian statement on the KAL-007 shootdown came on the day when Seoul announced that it will not provide additional loans to Russia, shelving the 1991 agreement to pay a 3 billion-U.S.-dollar loan program, casting a dark cloud over relations between the two countries.

Monday's announcement came as big disappointment for South Korea, which hopes that bilateral ties will take another step forward in the field of military cooperation when the two countries make historical exchange visits by naval fleets.

PRC 'Reluctant' To Return Korean's Remains

SK3008125393 Seoul YONHAP in English 1138 GMT
30 Aug 93

[Text] Beijing, Aug. 30 (YONHAP)—The Chinese Government is reluctant to allow South Korea to take the remains of An Chung-kun, a Korean independence fighter executed by Japan in a Lushun prison, China, to South Korea on the ground that they could not locate his tomb, it was learned here on Monday.

A Korean source here in Beijing said, "recently the South Korean Government asked China for cooperation in taking An's remains back to Korea, but China was reluctant, saying it is hard to locate his tomb because there are no extant materials about him."

The source said that it may be true that his tomb cannot be readily located. "But, the more likely reason appears to be their regard about North Korea," he said.

Saying that since the Chinese reluctance came in the initial stage of negotiations and since Beijing is fully aware of Seoul's position in this regard, a satisfactory outcome may result from further negotiations, the source added.

Express Mail Service to Croatia, Slovenia Begins

SK3108082993 Seoul THE KOREA TIMES in English
31 Aug 93 p 3

[Text] Express mail delivery services to the warring regions of Croatia and Slovenia will begin tomorrow, bringing the number of countries for which the service is available to 94, the Communications Ministry said yesterday.

The rate for the express delivery will be 14,000 won for the first 500 grams and 4,500-8,500 won for every subsequent 500 grams. The maximum weight for one item is 20 kilograms.

Meanwhile, Korea Telecom said international direct dialing services are being expanded to include Diego Garcia, Angila and St. Helena from tomorrow with the respective country codes of 246,497 and 290.

Government To Propose North-South Talks 1 Sep

SK3108225793 Seoul KBS-1 Radio Network in Korean
2200 GMT 31 Aug 93

[Text] The ROK Government will reportedly issue a statement toward the North in the name of ROK Prime Minister Hwang In-song today [1 September] to strongly urge North Korea to accept North-South dialogue immediately. In the statement, Prime Minister Hwang In-song will demand that North Korea accept our government's 14 August proposal that a North-South Joint Nuclear Control Committee (JNCC) meeting be convened to resolve the North Korean nuclear issue.

Prime Minister Hwang will also stress that the third round of U.S.-North Korean talks cannot be held unless North Korea expresses its intention to resume North-South dialogue.

Meanwhile, the government has reportedly decided that if North Korea proposes other forms of talks than the JNCC meeting, the government will be flexible in answering.

Government 'Apparently' To Accept North Proposal

SK0109024393 Seoul KBS-1 Radio Network in Korean
0200 GMT 1 Sep 93

[Text] It was learned that following North Korea's proposal to exchange special envoys, the government will send a telephone message which will apparently include acceptance of the North's proposal to North Korea by tomorrow [2 September] at the latest.

In particular, since North Korea clearly included the nuclear issue for discussion in today's statement, it revealed a willingness to discuss the denuclearization issue, and the government said that accepting the proposal to exchange special envoys poses no conflict with our government's position.

In its telephone message to North Korea, the government will indicate the time and level of special envoys for the North-South contact.

A relevant government official said that the government is actively reviewing a plan to propose that North-South contacts be held around early next week due to the urgency of the issue and to designate a vice minister-level official, who is also a working-level delegate to high-level talks, as the special envoy.

Proposal 'Worth Attention'

SK0109031093 Seoul YONHAP in English 0250 GMT
1 Sep 93

[Text] Seoul, Sept. 1 (YONHAP)—Vice Unification Minister Song Yong-tae said Wednesday that North Korea's offer earlier that morning to discuss denuclearization first in a proposed exchange of special envoys

was worth attention, suggesting that the South Korean Government will positively study the offer.

South Korea would welcome "a dialogue in any form if it helps solve the nuclear issue," Song said.

He predicted the resumption of inter-Korean dialogue would have a positive influence on nuclear negotiations between North Korea and the International Atomic Energy Agency and the proposed third round of North Korea-U.S. talks.

Song said his ministry would prepare an official response to the North Korean offer as soon as possible after careful study of it in consultation with related agencies.

The government was to send a telephone message from Prime Minister Hwang In-song to his North Korean counterpart, Kang Song-san, at 10 AM to say that South Korea is ready to accept an offer for dialogue in any form if the dialogue gives priority to discussion of the nuclear issue.

Kim Yong-sam Predicts North-South Commonwealth

SK0109035393 Seoul KBS-1 Radio Network in Korean
0100 GMT 1 Sep 93

[Excerpts] In a special interview with KYONGIN ILBO, which marks the 33d anniversary of its founding today, President Kim Yong-sam said that the shock caused by the implementation of the real-name financial transaction system has not been greater than expected and that the financial market is rapidly adjusting to the system. He added that rumors of monetary reform, which are circulating in financial markets, are groundless. [passage omitted]

President Kim said that although North-South relations are currently strained because of the North Korean nuclear issue, the resolution of this issue will herald a phase of reconciliation and cooperation in North-South relations. He predicted that in view of international trends and the current situation surrounding the North and the South, we will enter an era of North-South commonwealth during his term.

President Kim said that if the nuclear issue is resolved, the South will consult with the North on cooperative ways to peacefully use the Demilitarized Zone and will implement measures to do so. Such cooperation includes reconstructing Panmunjom and constructing a city of peace in the Demilitarized Zone.

Editorial Urges 'Clear' Stance on Nuclear Issue

SK3108140293 Seoul TONG-A ILBO in Korean
31 Aug 93 p 3

[Editorial: "IAEA's Nuclear Negotiations With Pyongyang and Our Position"]

[Text] There are two kinds of activities concerning the settlement of the North Korean nuclear issue: One is U.S.-North Korean talks, and the other is negotiations between the International Atomic Energy Agency [IAEA] and North Korea. Although North-South talks are very important in resolving the issue, they have been inactive for a very long time due to North Korea's attitude of refusing a meeting of the Joint Nuclear Control Committee.

The IAEA's direct negotiations with North Korea have a special character because the agency has been granted a special authority to estimate the actual conditions of the North Korean nuclear development. We can say that U.S.-North Korean talks are a kind of bridge to accomplish the IAEA's nuclear inspection of nuclear facilities in North Korea. The talks have only been complementary in the settlement of the North Korean nuclear issue. Of course, we cannot but acknowledge the fact that nuclear negotiations between the IAEA and North Korea are a result of the U.S.-North Korean talks.

The reason for regarding the IAEA's negotiations with Pyongyang as important is therefore very clear. If there is no breakthrough in resolving the North Korean nuclear issue despite the negotiations between the IAEA and North Korea, all negotiation efforts are useless. The positions of the IAEA and North Korea, which are currently conducting negotiations, are different from each other's. This appears to be an unfavorable sign in resolving the nuclear issue. The IAEA has called on North Korea to accept the nuclear inspection of the two undeclared facilities in Yongbyon and demanded that this be included in the agenda for the negotiations. On the other hand, North Korea has demanded that fairness of the IAEA be guaranteed.

During the U.S.-North Korean talks in Geneva, delegates from North Korea made remarks that "fair inspection must be conducted." Delegates from the United States accepted these remarks as a reference to the IAEA's overall inspection. This was, however, different from what North Korea had fundamentally intended. North Korea seems to believe that it can refuse the IAEA's inspection because the inspection of the two undeclared facilities in Yonbyon is not fair. Nevertheless, the U.S. side seems to believe that progress has been made at the talks. Based on this, the United States is likely to prepare for the third round of the talks regardless of the outcome of the IAEA's negotiations with Pyongyang.

Now the time has come to confirm our position. We cannot unconditionally support negotiations because they have been directly led by the United States. The government must be clear in the following points: First, the IAEA's inspection of the two undeclared facilities in Yongbyon must be conducted no matter how it is conducted. This is to disclose the truth of the suspicion about North Korea's nuclear development. If an attempt has been made to hide the source of suspicion of North

Korea's nuclear development for various purposes, we cannot accept it at all as it is.

Second, the third round of U.S.-North Korean talks can be considered only if progress has been made at the IAEA's negotiations with Pyongyang. Delegates who are going to attend the negotiations are susceptible to promising and commonly judge the outcome of the negotiations in order to justify their actions. It would be a mistake if the third round of talks are held without a breakthrough in negotiations between the IAEA and North Korea. Third, it would be wrong if the United States persuades the ROK to agree with its negotiation strategy in order to realize its goal.

Finally, the government must be clear in its position toward the North Korean nuclear issue. In other words, it must consider the holding of a meeting of the Joint Nuclear Control Committee a priority over the resumption of North-South dialogue. Therefore, it must no longer take a position of going this way or that way in connection with the nuclear issue.

Students Plan To Invite 15 Students From North

SK2808044593 Seoul THE KOREA TIMES in English 28 Aug 93 p 3

[Text] Student councils of Yonsei and Korea University said yesterday they will invite Kim Il-song University students to their "Yonsei-Korea National Liberation Fete" scheduled for Sept. 11 through 25.

They said in a joint press conference they would make every effort to invite 15 students from the North, observing the laws governing contacts with North Korea. They added that their move is aimed at "promoting private exchanges" between the South and the North.

The students councils have filed an application with the National Unification Board for contacts with the North Koreans, attaching to it recommendation letters of their school presidents, they said.

The government office, they said, showed an affirmative reaction by saying it would review the move in a positive light if it comes from a pure academic purpose.

Defense Minister Plans To Boost Military Image

SK0109091793 Seoul YONHAP in English 0547 GMT 1 Sep 93

[Text] Seoul, Sept. 1 (YONHAP)—Defense Minister Kwon Yong-hae said Tuesday that the focus of South Korea's defense policy will be put on improving the negative image the public has of the military.

The ministry will declare a severance with the past on the 45th National Army Day, Oct. 1, Kwon said in a lecture on the direction of defense policy at the Graduate School of the National Defense College.

"A negative view of the military's political role over the last 30 years still exists among the people," Kwon said.

"Since the heavy chain of the past is slowing our pace now, we should admit past wrongdoings plainly.

"I will correct the personnel reshuffle problem gradually as it is the largest source of complaints so far, and I will also try to guarantee the fairness of military service and the professionalism of professional soldiers," he said.

Government 'Tentatively' Sets 1994 Budget

SK2908034693 Seoul THE KOREA HERALD in English 29 Aug 93 p 8

[Text] The government has tentatively set the 1994 national budget at 43.3 trillion won (roughly \$53.4 billion), an increase of 13.8 percent or 5.3 trillion won over this year's 38 trillion won.

On the budget bill for fiscal 1994, the government and the ruling Democratic Liberal Party started to review expenditures item by item Friday.

While briefing members of the ruling party, Deputy Prime Minister Yi Kyong-sik said that top priority will be given next year to the expansion of infrastructure, promotion of small industries, and the improvement of the rural economy.

Total investments in such social overhead capital as roads, subways, and ports will go up by 25 percent from 4.5 trillion won in 1993 to 5.7 trillion won in 1994.

Yi, concurrently head of economic planning board, said that the government will sharply raise special excise taxes on gasoline and diesel next year and convert oil-related taxes into transportation taxes next year to finance the construction of a high-speed railroad, subways, roads, and harbors.

The special excise tax will be hiked from the present 109 percent to 150 percent for gasoline and from 9 percent to 20 percent for diesel to secure an additional 1.4 trillion won in transportation taxes.

The total revenue collected under the transportation tax will be 4.2 trillion won next year, said Yi adding that 75 percent of the total will be set aside for the construction of roads, 15 percent for railways in urban areas, and 10 percent for the high-speed railroad, airports, and harbors.

The government will allocate some 4.3 trillion won next year for the structural adjustment of agro-fishery regions, a rise of 40.6 percent or 12.5 billion won more than this year's 30.8 trillion won.

The top economic policymaker said the fund expansion is needed as the government plans to complete the on-going long-term rural development projects three years ahead of schedule.

At the same time, the government plans to increase public servants' wages by 7-9 percent next year to raise morale and bring pay levels to those of state-run corporations on a gradual basis.

To strengthen military power and stage diplomatic efforts toward unification, the government will also increase defense expenditures by some 9 percent next year.

The government's spending for the promotion of small- and medium-sized companies will nearly double from 581.1 billion won this year to 1,036.9 billion won in 1994.

For the construction of a welfare society, it has set the expenditures for national welfare at some 2 trillion won in 1994, up 9.5 percent from this year's 1.8 trillion won.

Commenting on the overall budget guidelines, Yi said that increases will go mainly to social overhead capital facilities, training of skilled workers, support for small enterprises, expansion of technology, and the improvement of rural regions.

However, it is uncertain that the government can collect enough taxes to finance the public projects as the economy is still sluggish, Ministry of Finance officials said.

Noting that the prospects for the collection of taxes is not bright this year because of poor exports and the introduction of the real-name accounting system, they said that tax revenue may be some 1.5 trillion won short of the original target.

Under the drafted 1994 budget, the tax burden ratio is to be raised from 19.4 percent this year to about 20 percent next year.

Government Approves Oil Refinery Expansion Plan

SK2908034593 Seoul *THE KOREA HERALD* in English 29 Aug 93 p 8

[Text] The government gave the go-ahead for four local petroleum refineries to expand their refining capacity by an additional 458,000 barrels per day (bpd), the Ministry of Trade, Industry and Energy said yesterday.

Three refineries—Yukong, Honam and Hyundai—had already been permitted to raise their combined refining capacity by 368,000 bpd, the ministry said.

As a result, if the expansion projects are completed as planned by 1997, the combined capacity of the nation's five refining companies will rise from the current 1,675,000 bpd to 2,501,000 bpd.

Yukong wanted to expand its refining facilities by 240,000 bpd, but the company was allowed only 200,000 bpd.

Ssangyong has been permitted to replace or refurbish facilities damaged by a recent fire in order to refine a further 118,000 barrels daily.

The refining capacity of Hyundai will rise an additional 90,000 bpd to 310,000 by 1997, while Kyung In received a permission to expand 50,000 bpd more to 310,000 bpd.

Yukong will have the largest refining capacity, of 823,000 bpd, by 1997, followed by Honam (600,000 bpd), Ssangyong (443,000 bpd), Kyung In (325,000 bpd), and Hyundai (310,000).

Ministry officials said petroleum consumption is predicted to grow an average of 6.7 percent per year until 1997, assuming that Korea registers an average of 6.9 percent economic growth.

Officials Announce Tax Auditing Changes

SK0109045893 Seoul *YONHAP* in English 0707 GMT 31 Aug 93

[Text] Seoul, Aug. 31 (YONHAP)—Tax audits of deposits shifted from false-name accounts to real-name accounts following introduction of the real-name system have been eased, Finance Minister Hong Chae-hyong and National Tax Commissioner Chu Kyong-sok told a joint press conference on Tuesday.

The ceiling on the deposits was raised to 100 million won (125,000 U.S. dollars) for depositors aged 40 and above, from 50 million won; to 50 million won for those 30 to 39, from 30 million won for those aged 20 to 29; and to 30 million won for those under 30, from 15 million won for those under 20. [sentence as received]

The changes are effective immediately.

Not all deposits beyond these ceilings are necessarily subject to a tax audit, National Tax Administration officials said.

For deposits beyond the ceiling, the age, career, property and income level of the owner will first be examined and then they will be asked to give an accounting of their deposit.

Only people suspected of having made the deposit on inheritance or speculation and having evaded inheritance or speculation taxes will be investigated further, the officials said.

Report on Planned Research Investment in 1993

SK3008084593 Seoul *YONHAP* in English 0610 GMT 30 Aug 93

[Text] Seoul, Aug. 30 (YONHAP)—Corporate research institutes will spend 3,751.9 billion won (4.64 billion U.S. dollars) on research and development [R&D] this year, 13.5 percent less than projected at the beginning of the year but 16.4 percent more than last year, the Korea Industry Technology Association (KITA) said Monday.

NORTHEAST ASIA**FBIS-EAS-93-168**
1 September 1993

KITA asked 236 research institutes affiliated with business groups about their first six months and the prospects for the second half in a telephone survey from July 12 to July 31.

Of them, 46.2 percent have cut planned R&D investment, 44.9 percent have followed through on their plans, and 8.9 percent have increased investment.

Of those who cut back, 28.4 percent attributed it to the slow pace of research and development, 24.8 percent to a lack of funds for research facilities, 16.5 percent to a manpower shortage, and 16 percent to R&D budget cuts, all of which reflect the overall recession, KITA officials said.

They painted slightly brighter but still cloudy prospects for the second half as many earlier projects are being delayed.

Clear skies are expected for R&D in the fields of metals, nonmetals, construction, services, foodstuffs, and chemicals in July-December.

In a separate survey Aug. 19-21 on the impact of real-name financial transactions on R&D investment, 37 corporate institutes of 48 sampled answered "no effect at all" (77.1 percent), while nine, or 18.7 percent, weren't sure and just two, or 4.2 percent, said "somewhat negative".

Brunei, Malaysia & Singapore

Malaysia

Yunnan Governor: China To Emulate Policies *BK2708121393 Kuala Lumpur BERNAMA in English 0919 GMT 27 Aug 93*

[Text] Kuala Lumpur, Aug 27 (OANA-BERNAMA)—China wants to use Malaysia as a model in all aspects of its development, the governor of China's Yunnan province, He Zhiqiang, said Friday.

The Chinese Government was very impressed with Malaysia's success in development and in raising the standard of living of its people which had attracted global attention, he told reporters in northern Pulau Pinang state. As such, China had arranged pacts and visits by delegations from its provinces to study the development policies implemented here, he said.

He added that several Chinese provinces had also arranged cultural and student exchanges to get to know more about the socio-cultural and educational development here. He said China regarded Malaysia as one of the most developed countries in this region and the most suitable to use as a model for implementing its own development plans.

He and his seven-member delegation left for home Friday after a five-day visit to Malaysia at the invitation of Prime Minister Dr. Mahathir Mohamed.

Albanian Delegation Signs Agreement on Visas *AU3108190493 Tirana ATA in English 1812 GMT 30 Aug 93*

[Text] Tirana, August 30 (ATA)—An Albanian Government delegation led by the Deputy Prime Minister Bashkim Kopliku is visiting Malaysia invited by the Malaysian Government. The Albanian delegation met with deputy prime minister of Malaysia, Dr. Moham-edin [name as received], the deputy foreign minister, and other leaders of the government.

Negotiations focused on the development of relations between the two countries and the promotion of cooperation in different areas. Also they discussed the appointment of a joint commission to develop cooperation between the two countries.

An agreement was signed at the Foreign Ministry to abolish visas between the Republic of Albania and Malaysia. The investments commissions focused on the Malaysia's investments in Albania.

Mr. Kopliku and Mr. Tarovar [name as received], deputy foreign minister, gave a press conference for the reporters and mass media of Kuala Lumpur.

Danish Industry Minister To Discuss Cooperation

BK2808062793 Kuala Lumpur BERNAMA in English 0549 GMT 28 Aug 93

[Text] Kuala Lumpur, Aug 28 (OANA/BERNAMA)—Danish Minister for Industry Jan Trojborg will make a three-day visit beginning Tuesday to discuss Danish-Malaysian co-operation in the shipbuilding industry.

The Danish minister will head a nine-member delegation comprising representatives of the Royal Danish Navy, the Danish Ministry of Defence, and the board of directors of Naval Team Denmark—the export organisation of the Danish naval defence industry.

In a statement today, the Royal Danish embassy here said Denmark had a lot to offer in the field with its long tradition of shipbuilding for commercial and naval needs. In terms of gross tonnage output, Denmark is the largest shipbuilding nation in Europe and the fourth largest in the world, it added.

During his visit, Trojborg will call on International Trade and Industry Minister Rafidah Aziz, Deputy Defence Minister Wan Abu Bakar and visit the naval dockyard in Lumut, in the northern state of Perak.

Singapore

Cambodia's Ranariddh Calls on Premier Goh, Others

BK2708145193 Singapore Singapore Broadcasting Corporation in English 1100 GMT 27 Aug 93

[Text] Cambodian Copresident Prince Ranariddh is now in Singapore and he called on Prime Minister Goh Chok Tong at the Istana [Palace] this afternoon. He is here on a three-day visit at the invitation of Mr. Goh.

Prince Ranariddh also called on Senior Minister Lee Kuan Yew and Deputy Prime Minister Brigadier General Lee Hsien Loong. A Foreign Ministry statement said Mr. Goh had invited both copresidents Prince Ranariddh and Mr. Hun Sen. Mr. Hun Sen will visit Singapore at a mutually convenient date.

Cambodia

French Defense Ministry Delegation Arrives

BK3108060493 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1200 GMT 30 Aug 93

[Text] A French Defense Ministry delegation led by Admiral (Kalmann) arrived at Pochentong International Airport at 1215 on 28 August. On hand to welcome the French delegation were General Kruoch Yoeum and Lieutenant General Li Senghong, both deputy chiefs of the Cambodian National Armed Forces General Staff, as well as several other generals and officers from the

Cambodian Defense Ministry. Also present were General (Francois Peres), military attache at the French Embassy to Cambodia [rank and title as heard], and other French UNTAC [UN Transitional Authority in Cambodia] officers.

The French Defense Ministry delegation is visiting to become acquainted with and discuss future relations and cooperation between the French and Cambodian Armies.

Son Sann Receives Indonesian Parliamentarians

BK3008134793 Phnom Penh AKP in French 1015 GMT 30 Aug 93

[Text] Phnom Penh 30 Aug (AKP)—Son Sann, chairman of Cambodia's Constituent Assembly, Sunday (29 August) received in Phnom Penh a group of Indonesian MP's visiting Cambodia from 28 to 31 August.

Son Sann and Aminullah, head of the Indonesian MP group, informed each other of the legislative affairs of their respective countries.

Son Sann praised the good tradition of solidarity and the time-honored relations between the two countries and thanked Indonesia for its active contribution to the search for peace in Cambodia.

He said he was convinced that the bonds of friendship, solidarity, and cooperation between the two governments and the legislative bodies would further grow in the interest of both countries.

Aminullah sincerely thanked the Government of Cambodia for facilitating his visit, a visit which, in his opinion, would enable him to further understand the real situation in this country.

He pledged to do his best to strengthen friendship, solidarity, and cooperation between the two legislative bodies.

This is the first visit by an Indonesian parliamentary delegation since the formation of the Provisional National Government of Cambodia (PNGC).

Che Sim Receives Outgoing Chinese Envoy 28 Aug

BK3108061393 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1300 GMT 30 Aug 93

[Text] His Excellency [H.E.] Chea Sim, first vice chairman of the Constituent Assembly, on the morning of 28 August granted an audience to H.E. Fu Xuezhang, PRC extraordinary and plenipotentiary ambassador, who came to pay a courtesy call and bid farewell at the completion of his mission in Cambodia. H.E. Fu Xuezhang expressed his pleasure at the fine cooperation he received from the Cambodian Government and people during his mission. He also expressed his pleasure with H.E. Chea Sim's new outstanding role in the Constituent Assembly, saying he was confident that in the

future under the clear-sighted leadership of His Royal Highness Prince Norodom Sihanouk, Cambodia would again become prosperous and glorious.

H.E. Chea Sim highly valued the Chinese diplomat's mission in Cambodia that strengthened and expanded the Cambodian-Chinese relations, thereby benefiting their friendship and cooperation and the region. He hailed China's significant contribution as a member of the UN Security Council to peace and national reconciliation in Cambodia. He also briefed his guest about the task of the Constituent Assembly, which has already completed the draft constitution and will present it to the prince head of state of Cambodia on 30 August.

Armed Forces Reports DK 'Attacks' 23-29 Aug

BK3108113593 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1200 GMT 30 Aug 93

[Text] According to reports from the Operational Department of the Cambodian National Armed Forces [CNAF], between 23 and 29 August, the Democratic Kampuchea [DK] forces launched 26 attacks on CNAF troops, especially in Preah Vihear, Siem Reap, Banteay Meanchey, Battambang, Kompong Chhnang, and Kompong Cham Provinces.

This week, DK forces fired artillery shells on CNAF positions in Siem Reap and Kompong Cham Provinces and in Bavel District of Battambang Province. They also raided CNAF positions in Choam Khsan District of Preah Vihear Province and in Siem Reap and Kompong Cham Provinces. Also this week, DK forces regrouped their troops and shipped armaments and ammunition, especially in Banteay Meanchey, Siem Reap, Preah Vihear, and Kompong Thom Provinces. Additionally, they split troops into smaller groups and sent them to carry out activities at villages and communes, ambush vehicles on national routes, put pressure on remote localities, rob the people of belongings, and disarm militiamen in various localities, particularly in Kampot, Kompong Chhnang, Kompong Cham, and Kratie Provinces.

As for the CNAF, in August they exercised their right of self-defense to protect the people's lives, inflicting serious defeats on DK forces in terms of manpower and bases. Moreover, what was conspicuous was that several awakened DK officers and fighters of all ranks returned to the national community in Banteay Meanchey, Siem Reap, Kompong Thom, and Battambang Provinces, as well as in other areas.

As a matter of fact, in Kompong Thom Province for the month ending 28 August, 551 DK officers and rank and file personnel volunteered to return to the national community. Of the 551 returnees, six are regimental commanders, 10 are battalion commanders, 26 are company commanders, 18 are platoon commanders, and 11 are group leaders. Among the returning DK troops, 10

were from the 417th Division, five from the 802d Division, and the remainder from the 616th divisional group.

In Siem Reap Province in August, the CNAF killed 108 DK fighters, captured two, and forced 101 others—most of them active DK security guards—to surrender. We also seized 182 assorted firearms and ammunition.

And in Banteay Meanchey Province, we killed 18 DK soldiers and seized 3,042 assorted firearms and a significant quantity of ammunition.

VGNUFC Reports 'Massacres,' 'Popular Revolt'

BK0109010693 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 31 Aug 93

[Text] Since Vietnam and its puppets became the masters and took control in the Phnum Chhat area, Thmar Puok, Ampil, Boeng Trakuon, Banteay Chhma, and (O Sman) on 20 August, people have been very unsettled because of attacks, massacres, mistreatment, oppression, and robbery. People's daughters have been savagely and brutally raped at will. Even the leaders of FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and the Khmer People's National Liberation Front [KPNLF] have suffered mistreatment, oppression, and brutal massacres.

The people and the leaders of FUNCINPEC and KPNLF are very angry and can no longer endure this situation. They have taken up sticks, axes, and knives to pursue and kill these cruel men who are robbing and skinning people. In the past few days in particular, people in the Sisophon and Banteay Meanchey areas have hacked a number of these men to death. At the moment, there is unrest in the Sisophon and Banteay Meanchey areas because of the popular revolt and attacks against the puppet leaders and cruel puppet soldiers. (Prum Moranak), commander of the puppet troops in these two zones, is in a great panic.

Khmer Rouge on Reconciliation, Foreigners

BK3108070593 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 30 Aug 93

[Station editorial: "What Is the Real Substance of the National Reconciliation Plan Formulated by Head of State Prince Norodom Sihanouk?"]

[Text] I. Head of State Prince Norodom Sihanouk on 1 March 1993 put forth a national reconciliation plan for all Cambodian parties. This is to allow peace, independence, unity, sovereignty, and territorial integrity to be restored in Cambodia. The prince said no party, including Democratic Kampuchea [DK], should be discarded in the national reconciliation process. His Highness asked DK, which should have a role in the new government, to join the national community. However,

it should remain outside the government at first, meaning that it should first join the national army, and have an advisory role in government.

II. Therefore, according to the original substance of the national reconciliation plan formulated by the prince head of state, all reuniting national forces should be treated equally within the government, the administrative apparatus, and the army, or they should be equal in all state organizations, civilian and military. Only by doing so can genuine national reconciliation be achieved and hostile national forces show up and remain united. As all the national forces are cooperate, compromise will then be totally restored, thereby allowing peace to be reestablished. Only in a country where the people are at peace can other national problems be solved. This is the original substance of the national reconciliation plan.

On the contrary, it would be absolutely unacceptable for one party to reject another. For instance, other parties, the Cambodian nation and people, and the world would not agree if DK rejected a particular party. So, if any party rejects DK, the world and the Cambodian nation and people, and the world will not accept this. This is the real substance of Head of State Prince Norodom Sihanouk's national reconciliation plan.

III. Actually, DK should stand by the principle of equality; however, for the sake of a true national reconciliation and Cambodia's peace, the Party of DK [PDK] has only proposed that:

A. It be included and joined by all national forces in a unique national army. This is to gradually arrive at a national reconciliation.

B. It be given an advisory role.

Therefore, if the true national reconciliation plan with its original substance is compared to DK's two-point proposal at its minimum, it will show that the DK is striving to hold aloft the national reconciliation banner of the prince head of state. This is also clear evidence that DK has no ambition to wrest power back or to become co-prime minister, ministers, or deputy ministers whatsoever. This is the proposal at its minimum. So, with this offer, the general public is not muddled over those opposing the national reconciliation and those holding aloft the national reconciliation banner.

DK's 13 July 1993 two-point proposal has been joyfully accepted and fully endorsed by the prince head of state. However, to allow other parties to compromise, His High Highness has requested a roundtable in mid September 1993 to settle the two-point proposal. Nonetheless, some Western superpowers with Vietnam and its puppets have opposed the roundtable meeting, and thus prevented Cambodians from being reconciled. They have continued their maneuvers and have raised this or that condition for the purpose of obstructing the national reconciliation meeting.

All in all, the Cambodian nation, Cambodians at home and abroad, and the peace-loving countries the world over have already seen their ugly faces.

IV. Now, Head of State Prince Norodom Sihanouk has again proposed that the roundtable meeting be held in Beijing of the PRC on 3 September 1993. At the meeting, no conditions can be imposed at will. According to the meeting agenda, talks should be focussed on national reconciliation in keeping with the prince's plan; everyone should only discuss the national reconciliation issue. What causes division should never be raised. DK will not put forth any conditions, so other parties should do likewise. Foreigners, especially, should not interfere in Cambodia's internal affairs. They have to allow Cambodians to compromise by dialogue.

Everyone knows that the Cambodian problem was triggered by invading foreign forces. The Paris 23 October 1991 Accord demands the complete withdrawal of foreign aggressor forces from Cambodia and that the withdrawal be verified. But nothing relevant has been done. The accord also demands that the national reconciliation issue be jointly solved by the national forces of the four Cambodian parties. Nevertheless, this demand has been opposed and DK has been discarded.

Now at the inter-Cambodian meeting, should we continue to heed the foreigners' orders or try to arrive at true national reconciliation? Everyone is aware that DK, an important force of the nation, has struggled against the Vietnamese aggressors for more than 14 years. If DK is excluded, how can there be national reconciliation? What is the solution to be adopted at the meeting?

By all accounts, the problem is not created by Cambodians themselves but by foreigners, the entente, and the Vietnamese aggressors via their pressures. If only Cambodians were involved, there could be national reconciliation straightforward. The foreigners, the entente, and the Vietnamese aggressors are in control at the top and, importantly, they have made use of money. With regard to money, the Cambodian nation and people believe that if Cambodians are reconciled and are able to live peacefully and make a living, the foundation of national economy will be restored. Besides, so long as Cambodia is peaceful, foreigners from every directions will invest and help rebuild the country. As the Malaysian foreign minister at an ASEAN meeting said: Foreigners should never interfere in the Cambodian problem. Providing that Cambodians are reconciled and Cambodia is peaceful, ASEAN will provide aid worth hundreds of million dollars for its reconstruction.

Philippines

Group Says U.S. Contaminated Bases With Waste
HK2808041093 Manila Manila Broadcasting Company
DZRH in Tagalog 0900 GMT 27 Aug 93

[Text] The U.S. Government is ready to release reports and documents pinpointing areas contaminated by

chemical and toxic wastes in Subic Naval Base and Clark Air Base. But the Ramos government, through the Department of Foreign Affairs, should send a formal request for the documents.

This was according to Polly Parks, Philippine program associate of the Unitarian Universities Service Committee, a human rights and international development agency, in a news conference called by Nuclear-Free Philippines [NFP, a nongovernment organization].

NFP's Professor Rolando Simbulan said he hopes this would be given priority by President Ramos, especially during his state visit to the U.S. late this year.

According to a report by the U.S. State Department, Parks said, the U.S. has admitted having left so-called potential contamination spots in its former military facilities in the Philippines.

James Rowe's Killers May Get Conditional Amnesty

HK0109011593 Manila Manila Broadcasting Company
DZRH in Tagalog 1100 GMT 31 Aug 93

[Text] The killers of American Colonel James Rowe of JUSMAG [Joint U.S. Military Advisory Group] may be given conditional amnesty by the government. This was stated today by Congressman Bonifacio Gillego, adviser of the government negotiating panel discussing peace with rebel soldiers.

Nevertheless, Gillego said the issue may be taken up by President Fidel V. Ramos with U.S. President Bill Clinton when he makes a state visit to the United States in November.

The government has been pressured by the United States to refuse conditional amnesty to Rowe's killers, who are now jailed at the New Bilibid Prisons.

Gillego made these statements during an interview while at the presidential palace to attend the administering of oaths to the negotiating panels that will hold peace talks with leftist and rightist groups.

Ramos Accepts Indonesian Invitation To Visit

HK0109062493 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 1 Sep 93

[Text] President Fidel V. Ramos is scheduled to visit Indonesia on 20-24 September. The other day [30 September], the government sent a formal acceptance to the invitation made by Indonesian President Suharto.

According to President Ramos, he wants to personally see the progress of Indonesia under the excellent leadership of its present president.

Expected to be taken up during the Ramos state visit are bilateral, regional, and international issues that have to

do with the Philippines and Indonesia. Discussions will also be held between Philippine and Indonesian cabinet members.

At the same time, President Ramos thanked the Indonesian Government for endorsing the Philippine membership in the Nonaligned Movement in Jakarta.

The state visit may coincide with the first series of peace talks between the government and the Moro National Liberation Front. Indonesia recently agreed to be the talks' venue.

Two Agro-Related Pacts Signed With Australia

HK3008063093 Manila BUSINESS WORLD in English 30 Aug 93 p 19

[Report by Paul N. Villegas]

[Text] The Philippines and Australia signed two memoranda of understanding on Agricultural Technology Education (AGRITECH) and Human Resource Development (HRD) projects at the Department of Foreign Affairs last Friday. Foreign Affairs Undersecretary Rodolfo C. Severino and Mr John Quinn, Charge d'Affaires ad interim of the Australian Embassy in Manila, signed the agreements on behalf of the Philippine and Australian governments, respectively.

The AGRITECH project aims to improve and reorient agricultural education services at the provincial and regional levels in order to meet the development needs of farming communities in Regions II and IV. The project will offer courses on agricultural technology by developing a network of institutions on farming education in the two regions. In order to provide more productive employment in agribusiness enterprises, the project envisions more effective training programs and support for student farmers and targeted community groups to enable them to have better harvests and increased family incomes. Another component of the project aims to provide access to agricultural credit and subsequent self-employment opportunities through the provision of equity and loans. The Department of Education, Culture and Sports will undertake the implementation of the AGRITECH project through the Bureau of Higher Education and the Educational Development Projects Implementing Task Force.

On the other hand, the Human Resource Development project, of which the Department of Environment and Natural Resources (DENR) is the implementing agency, aims to enhance the HRD capability and capacity of the DENR at the central and regional levels by providing training activities for the department's personnel and beneficiary communities. By assisting the DENR strengthen its HRD capabilities, the project is envisioned to help the department's 35,000-strong workforce meet the big challenge of limiting environmental destruction and managing the country's natural resources.

The total contributions of the Philippine Government to the two projects amount to P76.28 million, while that of Australia is A\$20.93 million.

Police Prepare for Return of Marcos' Remains

HK0109011993 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 31 Aug 93

[Text] President Fidel Ramos has ordered General Umberto Rodriguez to issue a directive appointing General Pedro Sistoza, director of the Philippine National Police National Capital Regional Command, to lead the ground command forces tasked with maintaining peace and order in Metro Manila during the return of former President Marcos' remains on 7 September. The ground command forces are also tasked with monitoring loyalist groups, who are suspected and expected to cause disturbances ranging from holding rallies to employing other violent attention-grabbing tactics designed to make the homecoming of their beloved president more dramatic.

According to General Sistoza, he has already given instruction to the other district commanders to position special action forces and S.W.A.T. teams in the metropolis' main thoroughfares. Policemen will also be assigned to protect primary government installations, which may be sabotaged by some loyalists groups in their effort to solicit attention. Sistoza said most of the Metro Manila's police force will be involved in "Oplan Pagbabalik," [Operation Plan Homecoming], with only those in administration being exempted.

Manila Considers Dropping World Bank Loan

HK3008030093 Manila THE MANILA CHRONICLE in English 30 Aug 93 p 9

[Report by Gil C. Cabacungan Jr]

[Text] The finance department is seriously thinking of foregoing its right to avail itself of the \$200-million economic integration loan (EIL) due to the difficulties of meeting the conditionalities tied to the release of the loan.

Acting Finance Secretary Ernest Leung said the country would normally seek an extension "if, in our judgment, we still have a chance to meet the loan requirements." However, Leung said "that if we (the government) agree that there's no chance of doing this by the first half next year, we'd rather cancel our right to avail ourselves of the loan because it would cost us money for the extension."

A major stumbling block to the release of the second tranche of the EIL is the government's failure to implement Executive Order (EO) 470 which seeks to abolish all quantitative restrictions (QRs) on imports, except those on health and security hazards. Limitations on the amount of imports that can be brought into the country will be replaced by high duty rates which will be reduced gradually over a five-year period. QRs are used primarily to protect local industries from foreign competition.

The biggest stumbling block in enforcing the EO is the opposition of local farmers to the proposal to liberalize the entry of agricultural products in the country. The move is expected to shore up domestic supply, pull down prices and improve farmers' income. The Department of Agriculture (DA) has taken the side of the farmers, saying that it will only consent to the lifting of QRs if the projected local harvest falls short of expected demand.

Leung said the removal of the QRs is the commitment of Agriculture Secretary Roberto Sebastian. Leung said Sebastian "does not disagree with the basic premise of the EO, but he feels that the agricultural sectors needs more time." On the DOF's [Department of Finance] view on the issue, Leung said U.S. [as published] farmers need to be helped, but we just can't help them by continuing to protect them through QRs."

"The best way to help them is through the development of post-harvest facilities so that farmers can realize better returns on their harvest and improved access to markets," he added. He said that the DOF and the DA will discuss whether to seek an extension or just forego the country's right to avail itself of the loan package.

Aside from the lifting of QRs and further tariff reforms, the other conditionalities tied to the release of the loan are: clean balance sheet for the Bangko Sentral ng Pilipinas (BSP) and market-pricing for energy; free competition in land and sea transport; removal of restrictions on foreign exchange transactions; liberalized foreign investment rules; and greater private sector participation in infrastructure projects.

Aside from the WB [World Bank], the Japan Export-Import Bank is expected to finance the EIL with at least a \$100-million infusion. The loan is supposedly payable in 20 years, with a five-year grace period, at a variable interest which currently stands at 7.6

. The loan will be used to finance the importation of goods and beef up the country's foreign exchange reserves.

WB Lends \$100 Million Through Countryside Fund

HK0109021693 Manila *THE MANILA CHRONICLE*
in English 1 Sep 93 p 1

[Report by Gil C. Cabacungan, Jr.]

[Text] The World Bank (WB) has agreed to provide an additional loan of \$100 million to \$150 million to the Land Bank of the Philippines (LBP) through its Countryside Loan Fund (CLF).

LBP President Jesli A. Lapuz said negotiations between the WB and LBP for the terms of the new funding under the CLF would be held between November and January.

The CLF, previously called Agricultural Loan Fund, is a foreign loan facility extended by the WB to the LBP to

provide soft-term credits not only to agri-oriented firms, but also to manufacturing and service-oriented projects based in the countryside.

The CLF funds are lent out in pesos through private financial institutions (such as commercials banks, thrift banks, and rural banks) for relending to firms in rural areas. The banks can borrow at least P100,000 [Philippine pesos], which can be paid from one year to 15 years.

WB has granted an initial \$100 million under the CLF in 1990. The additional funding will be made because the existing facility will be fully used up by the end of this year.

The WB noted the LBP's successful relending operations because it took them only three years instead of the expected six years to use up the funds.

However, Lapuz said there will be some changes in the use of the additional funds for the CLF, such as giving more priority to the loan needs of small and medium-sized enterprises and using the loan mainly for investments in fixed capital assets rather than for working capital requirements.

Lapuz also said the LBP may ask the conduit banks to assume the foreign exchange risks of the loans considering that the Department of Finance (DOF) has declined to cover the risks for the new loan funds.

To shore up its loanable funds to the rural areas, Lapuz said Landbank is planning to issue countryside bonds and it has already sought Bangko Sentral ng Pilipinas [Central Bank of the Philippines] (BSP) approval.

The Bankers Association of the Philippines (BAP) has agreed to subscribe to the bonds, Lapuz said, if the BSP agrees to consider the Landbank bonds as a compliance to the 5 percent agri-loan requirements.

Banks are mandated to lend out 5 percent of their loan portfolio to the agricultural sector. But the BSP also allows them to invest the same amount in Treasury bills because some banks are averse to lending in rural areas because of the high risks involved.

NDF Envoys Promote Investment in Country

HK2608062693 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 26 Aug 93

[Text] A ranking Armed Forces of the Philippines (AFP) official has confirmed that the three children of Byron Bukar, exiled National Democratic Front (NDF) leader, have arrived in the country from Europe, along with six Dutch and Belgian nationals. According to General Rene Datu, commanding officer of the AFP Civil Relations Service, in trying to determine the purpose of their visit to the country, the AFP was able to discover that the Europeans are here because they are interested in President Ramos' Philippines 2000 vision. He said that, through the Bukars, the NDF has been promoting the country to potential investors.

It will be recalled that Byron Bukar is one of the NDF leaders who sought political asylum in Europe and later broke away from the leadership of Jose Maria Sison, the acknowledged leader of the Communist Party of the Philippines-NDF, due to differences in strategies and beliefs. Bukar allegedly favors urban insurrection, and has thus been branded a revisionist by the Maoists in the communist movement, who favor beginning the revolution in the rural areas.

Communists Use Foreign Aid To Fund Insurgency

HK0109012193 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 31 August 93

[Text] More than P500 [Philippine pesos] million sent by foreign donors for local nongovernment organizations [NGO] were used by the Communist Party of the Philippines-National Democratic Front [CPP-NDF] in funding their insurgency operations.

Brigadier General Rene Padiernos, Armed Forces of the Philippines Civil Relations Service chief [title as heard], said military analysts and intelligence revealed that the CPP-NDF has been diverting up to 60 percent of funds allotted for the use of NGO's in their local livelihood projects. Beginning in 1977, around P520 million have been diverted by the CPP-NPA, P300 million of which went to the CPP Central Fund, while P207 million went to the NDF.

The diversion of NGO funds, according to Padiernos, was done without the knowledge of the foreign donors. It will be recalled that during the Marcos regime, foreign donors trusted private groups more than the government in channeling NGO aid. However, with this revelation, foreign donors are now expected to trust the government more.

Sorsogon Communist Unit Joins Revisionist Group

HK3008061093 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 27 Aug 93

[Text] A unit of the Communist Party of the Philippines-New People's Army [CPP-NPA] has joined a revisionist group which has been trying to attract followers from within the communist movement.

Brigadier General Rene Dado of the Armed Forces Civil Relations Service said his unit has received intelligence reports that the CPP-NPA's Front Committee R-3 operating in Sorsogon had joined the revisionists. This is the first gain made by the revisionists in their efforts to attract followers. Dado said earlier reports indicated that Jose Maria Sison controls the rebel forces in the whole of Luzon, including Bicol. The revisionist faction, on the other hand, was said to control only the rebel groups in Metro Manila and Rizal province.

Dado said they found out that Front Committee R-3 had joined the revisionists from seized documents indicating

that a refresher course was on Marxism-Leninism doctrine to be held on an unspecified date for cadres in Barangay Abucay, Pilar, Sorsogon. The Sison faction does not adhere to Marxism-Leninism and instead believes in the protracted people's war of Mao Zedong.

NDF Approves Vietnam as Peace Talks Venue

HK2808040293 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 27 Aug 93

[Text] The National Democratic Front [NDF] has approved Vietnam as a venue for the second round of peace talks with representatives from the Philippine Government. The NDF's acceptance of the proposal of President Fidel V. Ramos to hold the talks in Vietnam is believed to strengthen hopes to end 22 years of communist insurgency. Vietnam was proposed as venue for the exploratory talks after the NDF refused an earlier proposal to hold the negotiations in Hong Kong.

Bayan-NCRR Leaves National Executive Council

HK2808041293 Manila Manila Broadcasting Company DZRH in Tagalog 1100 GMT 27 Aug 93

[Text] The New Alliance of Nationalists [Bayan] National Capitol Region-Rizal [NCRR] chapter today broke away from the Bayan National Executive Council in support of the regional leaders of 1 May Movement [KMU] who broke away yesterday from the leadership of Crispin Beltran, who is also Bayan's national chairman.

The breakaway declaration was made in a news conference by Bayan-NCRR Secretary-General Henry Grageda and spokesman Tony Cabardo, a representative for Romy Candazo, Bayan NCRR chairman and congressman, and other heads of sectoral organizations under Bayan.

Besides Beltran who sided with Leto Villar in betraying the interests of workers under KMU, the group also identified the following members of the Bayan Executive Council members as useless: Nathaniel Santiago, Liddy Nakpil Alejandro, and Amante Jimenez, League of Filipino Students [LFS] national chairman.

Among the other organizations that supported the breakaway were Fidel Fababier, chairman of the Alliance of Concerned Teachers-NCRR; KPM [expansion unknown] Chairman Roger Borromeo, KMU-NCRR Chairman Romy Castillo, LFS-NCRR Chairman Carmine Azucena, and other representatives from NCRR chapters of other sectoral organizations under Bayan.

Government To Swear In Peace Talk Panelists

HK0109011793 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 31 Aug 93

[Text] The technical committee assigned by President Ramos to represent the Philippine negotiating panel during the possible peace talks with the various rebel groups in the country will officially begin soon.

Oscar Santos, presidential adviser on the peace process, and other peace talk negotiators will be sworn in at 1300 this afternoon. Government negotiators for the peace talks with the Communist Party of the Philippines-National Democratic Front-New People's Army are Senator Rodolfo Biazon, Jesus Doreza, Justice Secretary Franklin Drilon, Feliciano Carino, Congressman Jose Yap, Zenaida Apawid, and Silvestre Bello III, the former justice secretary.

Meanwhile, Senator Orlando Mercado, Congressman Nur Jafar, and Defense Secretary Renato De Villa will be leading the negotiating panel with the [Muslim] secessionist movement. Other members of this panel are Nabil Tan, Santayan Leo Sambulawan, Eduardo Ermita, and Truli Prudel.

Interior Secretary Rafael Alunan III, Congressman Bonifacio Gillego and Senator Agapito Butz Aquino have been named as advisers to the negotiating panel assigned to talk peace with the Reform the Armed Forces Movement-Soldiers of the Filipino People-Young Officers Union. Alfredo Tadiar will be the chairperson of this panel, with Roylo Golez, Jose Percival Adiong, Armando Madamba, and Melchor Sabah as members.

Rebel Soldiers Threaten To Walk Out Over Delay

HK0109022693 Manila BUSINESS WORLD in English 1 Sep 93 p 12

[Report by Wilfredo G. Reyes]

[Text] The non-commissioned officers' (NCO) segment of the Young Officers' Union (YOU) hinted the entire movement is set to withdraw from current peace talks with Government and resume its armed struggle due to Manila's alleged duplicity.

In a press statement released yesterday, a certain SSgt. Francisco M. Evangelista of the NCO-YOU's "Central Luzon Chapter" accused Manila of deliberately delaying discussions on the substantive agenda agreed to by both parties.

One knowledgeable source remarked that the aforementioned name was simply a pseudonym used by a ranking YOU cadre in representing the entire organization.

"We view with alarming concern the apparent insincerity of President Ramos in the ongoing peace process," SSgt. Evangelista wrote. "We find it lamentable that the present snag that seriously and unreasonably delays (and which may later undermine) the ongoing peace negotiation is the doing of the Ramos administration itself."

"Save for the self-serving press hype of Mr Ramos's propaganda machine underscoring his alleged sincerity in pursuing the peace process with the nationalist military rebels and communist groups, no remarkable development can be seen in the negotiation," he continued.

"Perhaps, the psy-war expert in Mr Ramos is on the work again so that the so-called peace process is nothing

but a deceptive propaganda calculated to lure and divide the nationalist movement and, therefore, is devoid of any sincere and honest resolve to address the root causes of this problem.

"We had pinned our hopes to the ongoing peace negotiations, which unfortunately are being marred by the Ramos regime's insincerity and irresponsibility."

Specifically, the statement charged that the current Administration was painting an optimistic picture of current talks in order to gain "propaganda mileage" in public perception.

It added that this objective held true even in the case of a breakdown in talks, saying: "When the time comes that the nationalist military rebel negotiators...decide to back out from the negotiation, then Government would surely put the blame...on the side of the YOU and RAM (Rebolusyonaryong Alyansang Makabayan) [Revolutionary Nationalist Alliance]."

Moreover, it cited seven main indicators of Government's alleged tendency to mismanage the country, namely: "The docile attitude of the Ramos regime to prescriptions of the IMF/WB (International Monetary Fund/World Bank)," the proposed increase in taxes, a new round of increases in both energy and fuel price rates, efforts to privatize Government holdings in the oil industry, the importation of Thai rice which has jacked up the prices of staple food, anti-labor and anti-poor policies, and its tendency toward authoritarian rule.

"Crisis is undoubtedly creeping in and it is only a matter of time for a full-blown crisis to hit us again," the document observed. "Crisis brews discontent and discontent will guarantee the re-emergence of organized and mass-based political opposition."

The most serious message, however, hinted of a resumption of armed destabilization operations.

"Rather than protect an irresponsible regime and face the anger of the Filipino people, we would rather choose to unmake that regime to protect the Filipino people," the statement warned.

"When we are convinced that there is a willful and systematic attempt to use the peace process for reasons other than solving the political conflict through a principled agreement, then we are prepared to find another way of pursuing meaningful societal reforms outside the peaceful option offered by Mr Ramos."

MNLF Arms Shipment Reportedly Arrives in Basilan

HK0109024193 Manila THE MANILA CHRONICLE in English 1 Sep 93 p 8

[Report by Manny Mogato]

[Text] An arms shipment of about 400 high-powered firearms has been reportedly brought to Basilan two

months ago from the Moro National Liberation Front (MNLF) supply camps in Saban in anticipation of renewed violence in the south, according to an intelligence report sent to Malacanang.

The arms shipment was reported to have been received by a local MNLF commander in Lantawan, near Sumipsip town in Basilan, the report said.

The arms shipment, the same intelligence report said, coincided with unusual movement of MNLF forces from mainland Mindanao, Sulu and Tawi-Tawi toward Basilan.

A senior Camp Aguinaldo official said Muslim secessionist forces appeared to be converging in Basilan for a show of force with government troops, which had been in pursuit of lawless elements suspected responsible for a series of bombing incidents, kidnapping-for-ransom and other criminal activities in the island-province.

A member of the government's negotiating panel with the Muslim secessionist guerrillas has already expressed concern over the on-going government operations in Basilan because it could affect the peace efforts.

Batangas Rep. Eduardo Ermita, a former National Unification Commission (NUC) member and a member of the government's negotiating panel with the Moro National Liberation Front (MNLF), said the military should be able to "balance operations there and the forthcoming talks."

"We don't like the peace talks to be prejudiced," he said, adding that the defense and military establishments should take a decisive action on the issue.

Ermita said it was highly possible that government troops running after lawless elements had chanced upon some MNLF forces in Lantawan since these lawless elements fled into areas controlled by the separatist guerrillas.

Ermita said they are expecting the President to make some moves "regarding the conduct of operations there to ensure that the climate would be conducive to the talks."

But he ruled out a troop withdrawal from the island-province, saying government forces have a mission to ensure peace and order and stability in the province.

Also yesterday, ARMM [Autonomous Region of Muslim Mindanao] Vice Governor Nabil Tan, also a member of the government's peace panel with the MNLF, said the issue of autonomy in Muslim-dominated provinces would be resolved during formal talks with the separatist rebels.

The MNLF is demanding a wider coverage of the autonomous government from the existing four provinces to 13 provinces that were listed in the 1976 Tripoli Agreement.

Tan said he would support whatever decision that would be agreed upon as long as lasting peace is achieved in the south but he favored a wider public consultation on the issue of expanding the coverage of autonomy to other Muslim-dominated provinces.

Ramos Suspends Basilan Anti-Insurgency Operation

HK0109100493 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 1 Sep 93

[Text] President Fidel Ramos has ordered the suspension of police and military operations in Basilan in an effort to create an atmosphere of goodwill and confidence, which he hopes will benefit the coming peace talks between the government and the Moro National Liberation Front [MNLF]. In his memorandum to Defense Secretary Renato de Villa and Interior Secretary Rafael Alunan III, however, the president said that the police will continue with their normal operations against lawlessness and criminality, in order to ensure that the law is upheld, that peace and order are maintained, and that people—with their property and communities—are protected. Should a massive operation be needed to put an end to criminal activities in Basilan, the president said that such an operation should be cleared with him first.

Ramos also banned the Philippine National Police from employing heavy artillery and other high-powered firearms in the operations without prior authorization from Malacanang. In addition, the chief executive instructed Secretaries de Villa and Alunan to take extra care in conducting operations against genuine members of the MNLF, adding that police operations should not disturb areas where the MNLF has its bases. The president issued these directives following field reports that ordinary bandits are responsible for the spate of criminality and lawlessness in Basilan. It will be recalled that a series of bombings and other terrorist activities rocked the province in the early part of August. In line with the government's objective to put an end to this spate of lawlessness in the province, the president also ordered De Villa and Alunan to publicize the names of those arrested in connection with these crimes. This also will dismiss any doubts the MNLF may have as to mission of these police operations in the province.

The president stressed that the suspension of the operations in Basilan will not compromise the government's determination and commitment to enforce the law and protect the people in Basilan and nearby provinces, which may experience the spill-over effect [previous two words in English] of criminal operations in Basilan.

Roundup of Rebel Activities for 14-27 Aug

HK2908040993

[Editorial Report] The following is a roundup of reports on Philippine rebel activities from Philippine media

monitored by Hong Kong Bureau from 14-27 August. Source information is given in parentheses at the end of each item.

14-15 August

No fileworthy items monitored.

16 August

Twenty-one communist rebels surrendered at the office of Congressman Marcial Punzalan Jr. at the House of Representatives. They belonged to the group of Leopoldo Mabilangan, alias Comrade Hector, who had earlier surrendered under the government's amnesty program. (Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT)

17 August

A New People's Army (NPA) rebel identified as Cesar Buiro, alias Comrade Lex of barangay Tungdol, Irosin, Sorsogon, was killed while two others identified as Jai Aseste and Efren Ebronzal were captured in separate encounters between government troops and dissidents in barangay Batang, Irosin, and barangay Kawaynan, Tinambac, Camarines Sur. (Manila MANILA BULLETIN in English p 6)

18 August

Police arrested Jesus Nacion, alias Comrade Rodel, deputy secretary-general of the Communist Party of the Philippines (CPP)- NPA Southern Luzon Commission. Nacion, who carries a 500,000 Philippine peso reward for his arrest, was nabbed while visiting his son working at the Shakey's pizza restaurant in Cubao, Quezon City. (Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT)

19 August

Eight unidentified NPA rebels were killed while six others were wounded in two successive encounters with government troops in Echague and Jones towns in Isabela over the weekend. Among those captured were Rommel Echore, Jong-Jung Pascua and a certain Jack. (Quezon City MALAYA in English p 11)

20-22 August

No fileworthy items monitored.

23 August

Two ranking CPP-NPA leaders surrendered to government authorities in Sison, Surigao del Norte. The surrenderees were identified as Rolando Alcantara, alias Commander Adan or Renan, Teofisto Ilagan, alias Commander Ruel.

Three leftist rebels were captured while 8 NPA regulars were killed in clashes with government troops in northern Mindanao.

Three heavily armed rebels were captured during combat operations in Tagbabacon, Nasipit, Agusan del Norte. They were identified as Deonisio Kingo and his brothers Danilo and Bembo. (Manila MANILA BULLETIN in English pp 1, 8)

Benjamin Lasayda, alias Randy, 25, surrendered in Leyte last 18 August, to avail of the government's amnesty program. Lasayda is the highest ranking NPA officer to surrender to the Philippine National Police this year. (Manila PHILIPPINE DAILY INQUIRER in English p 11)

24 August

An NPA propaganda unit squad leader identified as Chico Granada, 24, surrendered to Superintendent Gregorio Divina, Southern Leyte Philippine National Police provincial director. (Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT)

25-27 August

No fileworthy items monitored.

Thailand

U.S. Urges Return of Workers From Libya

BK0109090993 Bangkok BANGKOK POST in English 1 Sep 93 p 1

[Text] A senior US official has urged the Interior Ministry and the Skilled Labour Department to bring back all Thais working in chemical and nuclear weapons plants in Tripoli, Libya.

US Charge d'Affaires Matthew Daley visited Interior Minister Chawalit Yongchaiyut on Monday [30 August] to discuss the matter.

Sources said the US official urged Thailand to ban Thais from working in Libya's nuclear weapons facilities.

The sources said Mr Daley did not press Thailand to grant the request but only urged the Government to respect the UN resolution to boycott the production of nuclear weapons.

However, the Government asked if the US Government will find jobs for the 25,000 Thais working in Libya if they return home.

Labour officials have expressed concern about the workers, of which some 20,000 are in Libya without permission from the Labour Department.

The officials said most of the other 5,000 were employed there on a short-term basis.

About 200 Thais are allegedly working in Libyan nuclear weapons facilities but it is not clear if they are directly involved in the production of nuclear weapons.

According to Thai government reports, the Thais work in a heavy water production plant.

Foreign Ministry sources claimed it is impossible to know if there are any Thais working in Libyan nuclear factories due to "a lack of records" for illegal workers.

But they said the records show that no legal Thai labourers work in the nuclear facilities.

The officials have expressed concern that the 25,000 workers will be in danger if Libya misses the deadline imposed by the US for Tripoli to give up suspects charged with planting a bomb on a US commercial aircraft.

The US Government has warned it would retaliate if the Libyan Government fails to hand over the suspects who bombed a Pan Am plane in Scotland.

Skilled Labour director-general Mrs Amphon Chun-nanon and her deputy Sinchai Lhientrakul were summoned to see Gen Chawalit yesterday to brief him on Thai workers in Libya.

Gen Chawalit later said Thailand must follow the UN resolution.

Deputy Interior Minister Suthat Ngoenmun said the ministry will call an urgent meeting of government agencies and senior officials to work on an evacuation plan before the deadline expires at the end of next month.

Foreign Ministry sources said yesterday it is working on a plan to evacuate Thais from Libya if Washington takes action against Libya.

"We have plans to evacuate Thai workers to countries neighbouring Libya, as we did with workers in Iraq, if the United States takes action," one source said.

Washington seems to be "serious" about the warning and might take action against Libya in late September, the source noted.

The Foreign Ministry has informed the US that it should not harm Thai workers there, the source added.

The sources claimed that Thailand can do nothing about illegal workers. "All we can do is cooperate with the Interior Ministry and warn people not to go there illegally."

Ministry Prepares for Evacuation

BK0109070093 Bangkok Radio Thailand Network in Thai 0530 GMT 1 Sep 93

[Text] Deputy Interior Minister Suthat Ngoenmuen spoke with reporters regarding the U.S. announcement that it would attack [as heard] arms factories in Libya. Some 200 Thai workers are employed at these factories. Suthat said the Interior Ministry has coordinated with the Foreign Ministry to be ready to evacuate all Thai

workers if an attack should occur. The previous evacuation system used during the Kuwait-Iraq war will be applied. Evacuation expenditures will be drawn from the central fund. The amount of funds needed is not known at this time because the number of Thai workers is uncertain. Suthat said he is concerned that Thai workers in those plants may not know about the possibility of a U.S. attack. Therefore, the Foreign Ministry and the embassies concerned have been asked to provide assistance.

Suthat also said he would propose that the Interior Ministry issue a ministerial regulation to prohibit Thai workers from working in arms factories. Violation of the regulation would be punishable by imprisonment and a fine. The regulation is expected to be put into effect in late February.

Suthat said he has learned that Thai workers at the Libyan factories were not processed by the Skilled Labor Development Department. They have worked there for some time, after acquiring their visas from a neighboring country. The companies that placed these workers in their jobs are: SPC Suphachok Limited, whose license was revoked in April 1992; Hangle Group Limited; and WLM Association. The last two firms do not have worker export licenses.

Source Speculates on U.S. Plans for Trade Ties

*BK0109033793 Bangkok THE NATION in English
1 Sep 93 pp B1, B2*

[Text] Michael Kantor, the United States Trade Representative (USTR), informed Commerce Minister Uthai Phimchaichon that he urgently desired to discuss ways to improve Thai-US trade relations over the phone on Friday.

It was not known what specific subjects Kantor would raise. A government source however, said the US was probably going to ask for a further reduction in the tariff on cinematographic film.

The commerce minister yesterday reported that the Trade Representative had made the request through the US embassy in Bangkok.

Uthai indicated that it is possible that Kantor would like to hold further talks on pipeline protection of pharmaceutical products and details of the amended copyright laws awaiting Parliamentary approval.

Yesterday the USTR was due to announce whether it would downgrade Thailand's status as a country under threat of retaliatory trade sanctions, or continue to include it in the Priority Foreign country watchlist of countries with tariff and non tariff barriers—such as intellectual property rights violations—considered most damaging to US businesses.

Phatchara Itsarasena, the permanent-secretary for commerce, is currently in Washington DC to discuss trade issues with Robert Cassidy, the deputy USTR, ahead of the USTR's trade status.

"I believe that there should not be any problem because the Commerce Ministry has worked out things that are of benefit to both the US and Thailand," Uthai said. "I am confident that the US will reclassify Thailand into a better trading status."

The Commerce Ministry yesterday issued a ministerial regulation to clearly define the scope of the jurisdiction of the Committee on Pharmaceutical Patents, whose power to abrogate the exclusive marketing rights of patent holders or licensees the US had earlier complained was too broad.

Uthai signed the regulation on the day the USTR was to consider Thailand's trade status, and the Thai government hoped that it would signal an intention to improve relations.

Uthai said he is willing to discuss the issues with Kantor over the phone, and he expected the discussion to lead to a better understanding between the two countries.

A government source noted that it is highly likely that Kantor will raise the issue of the tariff on cinematographic film. US embassy officials have asked the Thai authorities to reconsider the tariff reduction earlier agreed to by the Cabinet, offering the Indonesian rate as an example of the level it feels is appropriate. Indonesia is levying a tariff of about Bt3 per metre for cinematographic film. The Thai Cabinet decision slashed the tariff from Bt30 to Bt10 per metre.

The source indicated that Kantor would like to talk to Uthai about this subject because in April the commerce minister promised to try to bring the tariff rate for cinematographic film down to a level similar to that adopted by neighbouring countries, as part of Thailand's efforts to resolve trade disputes with the US.

It was Dr Suphachai Phanitchaphak, however, the deputy prime minister, who went to Washington DC with a Cabinet mandate in July to hold direct talks with Kantor.

The USTR is trying to help the US film industry, and responding to specific language in the trade act which governs his actions. Suphachai brought Kantor's request back to Thailand. Subsequently the Cabinet agreed to lower the film tariff to Bt10 per metre. The US had asked for the elimination of the tariff.

Kantor's call to Uthai appears to mark renewed US pressure to bring the film tariff rate down further.

Cabinet Plans Arms Purchase, Deployment in Iraq

BK0109034993 Bangkok THE NATION in English 1 Sep 93 p A2

[Text] The Cabinet yesterday appointed Army Chief Gen Wimon Wongwanit to represent the Thai government in signing an arms deal worth more than US\$1 million with China, a Government House source said.

The purchase, comprising five categories of ammunition, will be financed from the army's 1993 budget, the source said.

They include 5,000 rounds of PG-7 anti-tank rockets valued at \$565,000; 6,500 rounds of 120 mm grenades valued at \$396,500; 6,000 rounds of 82 mm grenades for US\$192,000; 11,044 rounds of 57 mm anti-tank tracer ammunition worth \$508,024; and 400 rounds of 130 mm rockets costing \$120,000. The total cost would amount to US\$1,781,524.

Meanwhile, the Cabinet yesterday also approved assigning a contingent of 50 Thai military personnel to the UN Guards contingent in Iraq for a period of six months, a source at the Cabinet meeting said.

Yesterday's approval was a follow-up to the one allowed in principle by the former Anan government on Sept 10, 1991.

The UN office of humanitarian affairs in Geneva, Switzerland, had requested for the Thai contingent, saying Thailand had obliged the UN before.

The Foreign Ministry reasoned that a Thai unit in Iraq should be safe because its mission will be limited to providing protection and will not involve combat duty.

The unit's mission, Deputy Foreign minister Surin Phitsuwan was quoted as saying, would boost Thailand's image in the eyes of the UN.

Vietnam

Nguyen Thi Binh Meets With U.S. Senator Shelby

BK3108161093 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 31 Aug 93

[Text] At the Presidential Palace in Hanoi on 30 August, SRV Vice President Nguyen Thi Binh received visiting U.S. Senator Richard Shelby, chairman of the Armed Forces Subcommittee and member of the Energy and Banking Committee of the U.S. Senate. Attending the meeting was Deputy Foreign Minister Le Mai.

Senator Shelby welcomed the achievements by Vietnam in its renovation undertaking. He expressed the hope that Vietnam—with its people who are diligent, creative, and of good background and with its rich natural resources and the open door policy—will quickly

develop its economy, improve the daily life of the people, and play an important role in the region.

Concerning U.S.-Vietnam relations, Senator Shelby held that there are still differences between the two countries which were left over from past events. As a result, the two governments should cooperate to resolve these differences in order to rebuild a better relationship in the near future. He praised the great efforts and positive cooperation between the U.S. and Vietnamese Governments in resolving the MIA issue. He expressed sympathy with Vietnam in its efforts to overcome difficulties in settling this problem, as well as losses endured by Vietnam due to the war consequences. He also said that the American people not only pay attention to the MIA issue, but also to the economic and trade situation in Vietnam. He said that Vietnam has great economic potential and that the U.S. and Vietnam have a good opportunity to establish economic and commercial relations, especially in the fields of energy, telecommunications, banking, transportation, and infrastructure and so forth.

Vice President Nguyen Thi Binh welcomed Senator Shelby's visit to Vietnam, which is aimed at promoting relations between the two nations. She asserted that Vietnam wishes to quickly normalize relations with the U.S. in the interests of the two peoples. Vietnamese leaders, on many occasions, have asserted that Vietnam considers the MIA a pure humanitarian issue and that, under all circumstances, they will continue to positively cooperate with the U.S. side to resolve this issue. The vice president also stressed the possibilities for bilateral economic cooperation and held that the U.S. embargo has caused losses to the two peoples, and that the U.S. Administration should lift this embargo soon and normalize relations with Vietnam so that U.S. companies will have a better chance to engage in economic and trade activities with Vietnam.

Earlier, Senator Shelby held talks with Le Mai and had a working session with Deputy Commerce Minister Nguyen Xuan Quang.

On the afternoon of 30 August, Senator Shelby left Hanoi for a visit to Hue and Ho Chi Minh City before departing for the United States.

Do Muoi, Leaders Greet German PDS Delegation
*BK3108150593 Hanoi VNA in English 1447 GMT
31 Aug 93*

[Text] Hanoi VNA August 31—A delegation of the Party of Democratic Socialism (PDS) of Germany led by Hans Modrow its honorary chairman and member of the Bundestag paid visit to Vietnam from August 20-31.

While in Vietnam, the delegation paid tribute to President Ho Chi Minh at his mausoleum, visited his home and office.

It was received [by] party General Secretary Do Muoi who welcomed the first visit to Vietnam of a PDS delegation.

Mr Do Muoi expresed his wishes for the success of the visit, thus contributing to promoting the friendly relations between the two parties and peoples.

The delegation held talks with a delegation of the Communist Party of Vietnam led by Pham The Duyet, Politburo member and secretary of the Hanoi party committee. The two sides informed each other of their country's situation and exchanged views on international matters of mutual concern and the strengthening of the relations between the two parties and peoples. Deputy head of the party External Relations Commission Hoang Thuy Giang was present at the above said activities.

In his capacity as a member of the Bundestag and of its External Relations Commission, Hans Modrow compared notes with Deputy Head of the External Relations Commission of the Vietnam National Assembly Tran Van Phac and Foreign Minister Nguyen Manh Cam on the National Assembly and state relations between the two countries. German Ambassador to Vietnam Klaus Christian Kraemer was present at the meetings.

The German guests also had working sessions with the Vietnam Union of Peace, Solidarity and Friendship organizations and Vietnam-German Friendship Association.

They toured Quang Ninh Province, Hai Phong, Ho Chi Minh Cities and Long An Province.

First International Road Construction Agreement
BK2908101793 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 28 Aug 93

[Text] A ceremony was held on 27 August in Hanoi to mark the signing of an agreement between Building General Corporation No. 1 under the Ministry of Transport and Communications and Taiwan's (Best) Company in Vietnam. Under the agreement, the two sides agreed in principle to cooperate in bidding to upgrade a portion of National Highway No. 5 which links Hanoi with Haiphong and runs from Kilometer No. 47 to Kilometer No. 62. The project, which is designed to upgrade and enlarge a portion of National Highway No. 5 linking Hanoi with the Haiphong-Quang Ninh Economic Zone, is among the various key state-funded projects in the years ahead. The cost of upgrading will be borne by the capital borrowed from Taiwan.

The project marks the first international road construction bidding in Vietnam.

Incentives Granted To Promote Spratlys Fishing

*BK3008065793 Hanoi VNA in English 0636 GMT
30 Aug 93*

[Text] Hanoi VNA Aug.30—The Vietnamese Government has issued a policy on tax exemption for the exploitation and export of sea products in the territorial waters of the Truong Sa Archipelago offshore Vietnam.

According to the Prime Minister's Decision No 400 TTG dated August 7, 1993, all organisations and individuals in all economic sectors engaged in the exploitation and export of seafoods in Truong Sa are exempted from three kinds of tax: turnover, profit and resource taxes for the first three years of operation. The government only permits the export of seafoods at designated places in the Truong Sa area.

On the other hand, the state will return to the exporters the export tax they have paid in order to help them invest in improving the material and technical bases. Ship and boat owners beneficiaries of tax exemption and reduction must register at the local tax offices the sites of their business offices and the areas of their operation in the Truong Sa area.

ADB Officials Support Resumption of Loans

BK0109054193 Hanoi Voice of Vietnam in English 1000 GMT 31 Aug 93

[Text] Officials of the Asian Development Bank [ADB] are hoping the the bank will resume lending money to Vietnam by the fourth quarter of this year.

REUTERS quoted the bank information officer, Mr. (Morris Bosch), as saying that the bank has plans for infrastructure projects and will provide an initial package credit loan of \$250-350 million for 1993. Mr. (Bosch) elaborated that technically, ADB can resume loans to Vietnam right now, but still wants to wait until the U.S. trade embargo is lifted so that U.S. firms can bid for contracts.

Meanwhile, ADB is organizing a second conference on subregional economic cooperation, which was opened in Manila on Monday. This region covers China, Cambodia, Laos, Myanmar [Burma], Thailand, and Vietnam.

Speaking at the opening ceremony, the Chinese head delegate, Mr. (Li Quo), said China supports ADB's initiative to promote economic cooperation in this area. He was quoted by Chinese news agency XINHUA as saying that the conference will help strengthen economic cooperation and development in the whole region. He said the first step toward such cooperation should begin with the most feasible projects.

Nguyen Manh Cam Attends ASEAN Reception

*BK2608064993 Hanoi VNA in English 0640 GMT
26 Aug 93*

[Text] Hanoi VNA August 26—Indonesian Ambassador to Vietnam Juana, on behalf of the ASEAN countries' diplomatic representations in Hanoi, gave a reception here yesterday on the 26th founding anniversary of this regional grouping.

Foreign Minister Nguyen Manh Cam was present on the occasion.

Speaking at the function, Ambassador Juana welcomed the fine development of Vietnam's relations with ASEAN. He stressed that Vietnam's presence at the celebration this year as an observer of ASEAN was a very significant development.

For his part, Minister Nguyen Manh Cam highly appreciated the achievements recorded by the ASEAN countries in their national construction. He said that Vietnam would do its best to further enhance its bilateral relations of friendship and cooperation with the ASEAN countries as well as its multilateral cooperation with ASEAN.

Nong Duc Manh Attends Meeting of Businessmen

BK2608062393 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 25 Aug 93

[Text] This morning, 25 August, some 148 young businessmen from 39 provinces and cities attended the opening of the second national meeting of businessmen at the Thong Nhat Conference Hall in Ho Chi Minh City. On this occasion, Prime Minister Vo Van Kiet sent a letter of greetings to young businessmen throughout the country.

Also present at the meeting were Comrade Nong Duc Manh, chairman of the National Assembly, and Comrade Truong Tan Sang, chairman of the Ho Chi Minh City People's Committee.

Four topics were expounded by young businessmen for discussion at this meeting. These included the methods of amassing capital, acquiring equipment, changing techniques, and conducting business administration.

On this occasion, the Vietnam Youth Federation is holding an exhibition of portraits and products of businessmen and will organize a march for peace and development with the participation of large numbers of youths and war veterans. A get-together between young businessmen and Ho Chi Minh City youths will be held at the Youth Cultural House tonight, 25 August.

The second national meeting of young businessmen will conclude on 26 August.

Nong Duc Manh Meets Ethnic Minority Delegation

BK3108121193 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 30 Aug 93

[Text] Comrade Nong Duc Manh, member of the Political Bureau and chairman of the National Assembly, received on the afternoon of 28 August at the Ba Dinh Conference Hall in Hanoi a delegation of ethnic minority cadres from the mountain and border areas in Son La Province.

Also attending the reception was Comrade Phan Thanh Xuan, deputy director of the Nationalities and Mountain Region Committee. The delegation was directed by Comrade Tran Minh Dung, member of the Son La Province party committee's standing body and vice chairman of the Son La Province people's committee. Comrade Tran Minh Dung briefed Chairman Nong Duc Manh on the local party and government's policies toward the mountain and border areas in the province. He also introduced to him the delegates who had been selected by the conference of local cadres to visit the capital on their behalf. He conveyed to the central government the determination of the local people to follow the path chartered by the party.

The delegation comprised 58 comrade secretaries, chairmen, village headmen, hamlet chiefs, people's councillors at all levels, and cadres who scored good economic development results. Members of the delegation belong to six ethnic groups representing 156 mountain and border villages in Son La Province.

The delegation was headed by Comrade Thao A Dan of the Hmong ethnic group. Comrade Thao A Dan is a member of the Son La Province party committee and chairman of the Bac Yen District people's committee. Comrade Thao A Dan briefed Chairman Nong Duc Manh on the consensus reached by the conference to see to it that nobody engages in poppy planting; sells, possesses, or smokes opium; helps preach religions outside the bounds of law; participates in activities aimed at inciting the masses or at sowing disunity among them; engages in illegal migration; destroys watershed forests or forests in off-limit areas; asks for silver as a wedding present; or nourishes superstitions.

In his cordial and informal talk with the delegates, Chairman Nong Duc Manh conveyed the regards of Comrade General Secretary Do Muoi, Comrade President of the State Le Duc Anh, and Comrade Prime Minister Vo Van Kiet to the party organization and people in Son La Province in general, and to ethnic minority compatriots in particular. He commended everyone for having made many efforts to overcome difficulties and promote socioeconomic development. He praised the local administration for its determination to make local ethnic minority compatriots give up poppy planting and shift to cash crop cultivation, as well as to create favorable conditions for economic development.

Chairman Nong Duc Manh noted with pleasure that many local ethnic minority compatriots have scored good economic development results and that the movement to enrich oneself has been whipped up in many mountain areas in Son La Province. He was hopeful that local ethnic minority compatriots would promote unity and make joint efforts to overcome difficulties and build a new life so that they all can have enough food and clothing, attend school, enjoy freedom, and lead a bountiful and happy life, thus meeting Uncle Ho's earnest aspirations. He expressed the hope that Son La would quickly materialize the objectives of the movement to eliminate hunger and reduce poverty, work toward national construction, and, together with the entire nation, contribute to making the people rich and the country powerful as well as to bringing about civilization in society.

Pham The Duyet Visits 'Model Learning Center'

BK2908085793 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 28 Aug 93

[Text] Comrade Pham The Duyet, member of the Political Bureau and secretary of the Hanoi City party's committee, recently paid a working visit to the Dinh Tien Hoang general education school run by the private sector in Ba Dinh District, Hanoi, at a time when teachers and students were making preparations for the new school year. Comrade Tran Luan, the school principal, briefed Comrade Pham The Duyet on the achievements of the teachers and students over the past four years.

The Dinh Tien Hoang general education school run by the private sector is a model learning center providing humanitarian assistance to underprivileged children so they can learn how to read and write, undergo vocational training, and become good citizens. The school management regards vocational training as the key factor for students to develop their personality. It is also the school management's objective to prepare students for the general education high school graduation exams as well as to help them improve their overall performance.

Comrade Pham The Duyet praised the teachers and students for their initial achievements. He also commended the teachers for their enthusiasm for and commitment to the education of underprivileged students.

Party, State Leaders Attend Cultural Festival

BK3008125193 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 29 Aug 93

[Text] On the morning of 29 August at the sports stadium of Thai Nguyen Provincial City, the national cultural and sports festival for ethnic boarding high school students opened. Present were Comrades Nong Duc Manh, chairman of the National Assembly; Dao Duy Tung, member of the Central Committee Political Bureau and standing member of the Central Committee's Secretariat; Nguyen Thi Binh, vice president;

Nguyen Khanh, deputy prime minister; other leaders of ministries, party departments, and agencies at central level; and representatives of people's committees of highland northern provinces.

Education and Minister Training Tran Hoang Quan, in his opening speech, outlined the significance of the festival, which was being held in Bac Thai for the first time. Thirty-three student groups from 33 schools conducted a procession in front of the guest stage. The festival extends through 1 September.

LAO DONG XA HOI Magazine Makes Debut

BK2808030093 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 25 Aug 93

[Text] On 24 August in Hanoi, the Ministry of Labor, War Invalids, and Social Welfare held an inauguration ceremony for LAO DONG XA HOI (SOCIAL LABOR) Weekly Magazine. Present at the ceremony were Comrades Ha Dang, director of party Central Committee Ideology and Culture Department; Phan Ngoc Tuong, government's Organization Department; Tran Hoan, minister of Culture and Information; Phan Quang, general secretary of Vietnam Journalists Association; and many representatives from central and local press agencies.

In his speech delivered at the function, Comrade Trinh To Tam, deputy minister of labor, war invalids, and social welfare and editor-in-chief of LAO DONG XA HOI pointed out three main tasks of the magazine:

1. Propagandizing party lines and policies, as well as state laws regarding labor and war invalids,
2. Mobilizing people of all walks of life in implementing social policies,
3. Serving as a public forum in human policies, especially policies relating to the work force and social welfare beneficiaries: introducing exemplary persons and deeds, denouncing negative indications, and exchanging experiences in practical activities in labor, war invalids, and social welfare.

TV Assembly Line Officially Inaugurated 28 Aug

BK3008093793 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 28 Aug 93

[Text] A ceremony was held today at the Tan Binh 2 Vitonic [expansion unknown] plant in Binh Thanh District, Ho Chi Minh City, to officially inaugurate a JVC [expansion unknown] television assembly line. The plant belongs to the Tan Binh Vitonic Corporation under the Ministry of Heavy Industry. The line is designed to assemble Japanese-made television sets of the CKD [expansion unknown] model at a rate of 120,000 sets per year. The line involves investment capital of 18 billion dong. Of this, equipment costs account for 8 billion dong.

This is a modern television assembly line which guarantees both high precision and safety. Additional equipment is also available to enhance quality control and precision.

Trees Planted To Supply Paper Industry, Exports

BK3108135793 Hanoi VNA in English 0733 GMT 31 Aug 93

[Text] Hanoi VNA August 31—Up to 8,300 hectares of barren hillside and former forest land in the eastern part of southern Vietnam is to be put under eucalyptus, acacia and other fibrous trees to feed the paper industry and also for export.

The areas marked off for intensive planting are Binh Long and Ben Cat Districts in Song Be Province and Vung Tau, north and southeast of Ho Chi Minh City.

Developers for an area of 3,365 hectares in Song Be are Vinapram from Ho Chi Minh City and the provincial authorities.

Thousands of inhabitants are involved in the project and 1,300 hectares in Ben Cat District has already been covered with eucalyptus trees and other fibrous trees.

Vung Tau in the province of Ba Ria-Vung Tau will be the location for a joint venture project for export pulp wholly owned by Itochu of Japan (49) and Hangs Timber of Hong Kong (51).

The two foreign partners have just started to plant trees on 5,000 hectares of hillside. By 1998 when the trees have become mature they will proceed with the making of pulp to increase by three times Itochu's import of pulp from Vietnam. The future export volume is estimated at 87,000 cubic metres as against the 27,000 cubic metres at present.

When all the earmarked areas have been covered, Song Be and Ba Ria-Vung Tau Provinces will become the biggest pulp suppliers in the south.

Materials for domestic pulp and paper mills now come mainly from Vinh Phu, Tuyen Quang and Bac Giang Provinces, all in the north.

Sep 93 TAP CHI QUOC PHONG TOAN DAN Reviewed

BK3108164693 Hanoi Voice of Vietnam Network in Vietnamese 1400 GMT 30 Aug 93

[Summary] Following are the main contents of the September 1993 issue of TAP CHI QUOC PHONG TOAN DAN.

In commemorating the National Day, 2 September, the journal begins this issue with an article by Justice Minister Nguyen Dinh Loc "analyzing the process of building the Vietnamese law-governed state under the Communist Party of Vietnam's leadership in accordance with President Ho Chi Minh's concept. The article also

raised some issues related to building the law-governed state and in improving the political system in Vietnam."

Found in the "special discussions" section are the following:

—An article by Senior Lieutenant General Nguyen Nam Khanh titled: "Some Issues Related to the Party and Political Tasks Aimed at Building Comprehensively Firm Basic Units."

—An article by Major General Dang Huyen Khuong titled: "Formulate Effective Measures to Enhance Nutrition for Soldiers."

—An article by Colonel Tran Dinh Chau titled: "Humanism in President Ho Chi Minh's Military Concept."

With an aim to seek a thorough understanding of the Central Committee's Fifth Plenum Resolution, the journal carries the following:

—Article by Major General Le Hong Quang titled: "Opposing Opportunism: An Urgent Task in the Current Ideological Struggle."

—Article by Colonel Le Minh Vu titled: "Some Thoughts About Goods and the Labor Force in the Transition Period in Vietnam."

In the "New Concepts in National Defense" Section, the journal carries the following:

—Article by Quang Can titled: "Relationship Between Realities and Capabilities in National Defense and Security."

—Article by Dinh Luong titled: "Socioeconomic Policy and National Defense Strength."

—Article by Thanh Vien titled: "What Do We Get From the Two Organizational Models on Grass-Roots Level National Defense and Security at a Ho Chi Minh City's Precinct."

In the "Building a Regular Army" section, the journal carries an article on some viewpoints and experiences of the 9th and 4th Military Regions concerning this task.

Next, in the "Exchange of Viewpoint" section, the journal carries the following:

—Article by Nguyen Qui titled: "Some Ideas Concerning Technical Training."

—Article by Lieutenant Colonel Nguyen Viet Hien titled: "The Kim Son Armed Force Engages in Mass Mobilization Work While Building a Firm Base For National Defense and Security."

—Article by Vu Binh titled: "The Quang Vinh Village War Veteran Association and Its Concrete Tasks."

In its "National Military History and Experiences" section, the journal carries an article by Nguyen Viet Binh titled: "The Tay Son Army's Disciplines in the Thang Long Campaign 1789."

Found in the "Foreign Military Information" section are two articles titled: "Proposals For Changing the Organization and Function of U.S. Armed Forces After The Cold War," and "Indian National Defense Industry: An Open Door and Surging Forward Approach."

Truong My Hoa Discusses Women's Role

*BK3108092393 Hanoi NHAN DAN in Vietnamese
29 Jul 93 pp 2, 4*

[NHAN DAN correspondent's interview with Truong My Hoa, member of the party Central Committee Secretariat and chairman of the Vietnam Women's Union]

[Text] Correspondent: Dear comrade, our women's role has already been stressed in the party's first political platform and the concept related to this issue has been maintained ever since, why recently has the party Central Committee Political Bureau issued a new resolution on women's mobilization work?

Truong My Hoa: It is correct that issues related to women's liberation and the policy on "equality for men and women" are one of the 10 key tasks of the Vietnamese revolution which has been included in the party's first political platform. Thanks to our party's unwavering policies since its founding and the correct and creative implementation of these policies in various revolutionary stages, a large number of Vietnamese women have been integrated to serve the party, thereby greatly contributing to the victory of our revolution.

In the new revolutionary stage and against the background of profound and very complicated changes at home and abroad, many new issues related to women's mobilization work have been raised. Moreover, since 1967, our party has not issued a comprehensive resolution on women-related tasks. As a result, much great potential of our women workers and cadres have not been brought into full play.

I would like also to say here that since the abolition of the party Central Committee Women's Mobilization Department, no mechanism has been set up to help the party study and formulate lines and policies to supervise, control, and promote women's mobilization work. Little attention has been paid to provide guidance for a thorough understanding of women's mobilization work. As a result, party members, echelons, and sectors in society have not firmly and correctly understood the significant role of women, thus causing difficulties and obstacles to implementing lines and policies related to women. The party has not been able to bring into full play the role and duty of state agencies and mass organizations in carrying out women's mobilization work.

The abovementioned situation demands that our party have a comprehensive resolution on women's mobilization work in the new stage.

Correspondent: Dear comrade, is this our party's first comprehensive resolution on women's mobilization work? What are the key contents of this resolution?

Truong My Hoa: This is not our party's first resolution on women's mobilization work. During the past several years, our party and state issued many resolutions and directives on this issue. However, it can be said that the recent party Central Committee Political Bureau's resolution on women's mobilization work is the first comprehensive one in the new situation.

The resolution is composed of three parts: The first part deals with the appraisal of the women's situation and the party's women-related work. The second part deals with viewpoints and major tasks. The last part deals with issues related to organizing the implementation of the resolution. The resolution stressed many profound theories and lively practical experiences. However, due to the limited space of the newspaper, I would like to talk only about some new points.

First, the resolution strongly asserts that Vietnamese women have maintained their glorious historical tradition. They have much great potential and are a vital force for the renovation undertaking and the socioeconomic development program. It is necessary to make everyone understand that women are laborers, citizens, mothers, and the first teachers of human beings. This means that if we want to build a competent generation for the future, we must pay attention to enhancing the quality of women at present. For this reason, the resolution asserted that it is necessary to consider women's liberation an important issue and a key content in the renovation undertaking and in the cause of socialist construction in our country.

The resolution, in its second viewpoint, emphasizes the goal to build a new family model and new Vietnamese women. That is, to build families of prosperity, equality, progress, and happiness. This also means building Vietnamese women of good health, rich knowledge, and active creativeness who know how to amass wealth legally and who pay more attention to the community and society's interests with benevolence.

In its third viewpoint, the resolution clearly points out that women's emancipation and women-related work are not only the tasks of women's federations, but are also the duty of the party, state, mass organizations, the entire society, and every family.

The advising and planning organs of the party and state must pay particular attention to special characteristics of female laborers. Apart from their work in society, the women also have to give birth to children and raise them.

In women's related work, the resolution considers building the women's work force contingent strategically important for the policies of the party and state. It urges an increase of female cadres in party committees and state organs and in the field of economic and social management.

Correspondent: The resolution mentions "within the general difficulties of the country, women have been suffering a great deal." According to you, what led to this situation?

Truong My Hoa: In my opinion, the following are the reasons:

In our country, women account for more than 50 percent of the population and more than 50 percent of the social labor force. Besides their work duties, women also carry a heavy responsibility to their families and children. Due to the poor development rate of our economy, there are not enough jobs for all laborers, especially female laborers. Women earn low incomes and their families are facing many difficulties and hardships. The health of women and children is deteriorating.

As a result of the war, the number of single females and single mothers is fairly large. Most of the social welfare recipient families are headed by women. Their lives are very difficult due to a lack of laborers and capital in their families.

In our changing economy, a legal system and policies (especially legal documents and policies directly relating to women and children) have not been uniformly and perfectly established. Therefore, regulations and policies in respect to women and children are not uniformly implemented.

Another reason of no less importance which greatly affects women and children is the feudal way of thinking, the practice of looking down on women, and the increasing number of outdated and backward habits. They are threatening the happiness of every family, causing a growing number of family separations, polygamy, and juvenile marriage in rural and mountainous areas. The social evils of drug addiction, gambling, woman beating, and prostitution are increasing. These situations are badly affecting the women's life, thinking, and sentiment.

Correspondent: Previously, the party Secretariat issued directives on women-related work. But the contingent of female cadres has been decreasing. The resource of female cadres is in short supply. Why is this happening?

Truong My Hoa: The decreasing number of female cadres is real and obvious to everybody. There are different reasons for this. But while mentioning the reasons of this problem, I am thinking: Why in this difficult situation, in some sectors and localities, is the contingent of female cadres not decreasing but improving in quantity and quality (despite a small number of these units)?

As I have mentioned, there are many reasons leading to the decreasing number of female cadres. Here, I will only mention several main causes:

The viewpoint, consciousness, and planning and training of female cadres are not regularly and uniformly implemented. Especially, policies relating to female cadres are not carried out properly, causing poor development of women's capacities. Besides, many party committees, state organs, and sectors have not carried out regular checks on women-related work. Directive No. 44 which was issued by the party Central Committee Secretariat nine years ago has just recently been reviewed.

The new situation requires full development of women in all fields: education level, personal characteristics, health, and life. But due to poor economic development, the lives of people, including women, are full of difficulties. Especially in the new economic structure, women have not had conditions for a comprehensive education and specialized training. Therefore, a portion of female cadres has not been able to meet new requirements, especially in economic management and scientific research. Some women, facing difficulties in life, are not able to improve themselves, and are being left behind by the general movement.

Correspondent: In reality, many party and state documents relating to women are not satisfactorily implemented. What can be done to ensure an efficient implementation of this resolution? And what role does the Vietnam Women's Federation have to play to introduce the resolution into life.

Truong My Hoa: In reality, many party directives on women-related issues have actively entered life and have been warmly welcomed by the public, creating an energetic and widespread revolution movement in the entire country. The party Secretariat's Resolutions No. 152 and 153 consequently created a seething women's movement of "Three Aptitudes" in the entire country, motivating many women to actively take part in the anti-American war and socialist construction. Many female cadres were created, trained, and developed in this period.

However, we have to admit that many party and state resolutions and directives on women-related work have not been sufficiently implemented. In order to ensure successful implementation of this party Secretariat resolution, from my own practical experiences, I think it is

necessary to develop the combined strength of all party, state, and mass organizations.

First of all, party committees at all levels should provide more guidance, conduct more checks, and quickly correct mistakes and shortcomings in the implementation process of this resolution.

The state organs should promptly institutionalize the party's viewpoints and directives into practical regulations and policies. They should also quickly amend existing policies to make them become more appropriate.

Practically, the Vietnam Women's Federation cannot implement the resolution by itself. It needs the coordination and assistance of party committees, state organs, and all sectors. At the moment, it must cooperate with government ministries and departments in institutionalizing women-related policies such as salary, training, medical insurance, and so forth.

The Vietnam Women's Federation Central Committee is to ensure that women's federations at all levels thoroughly understand the resolution and outline practical programs of action to implement the six major tasks set forth in the resolution. The federation will be an active advisory body for the party in implementing this resolution.

More than anybody else, the Vietnam Women's Federation must continue to renovate its organization and working methods. This is also one of the best ways to introduce the resolution into life.

Correspondent: Dear Comrade Truong My Hoa, what do you think about the role of mass media agencies in women's mobilization work?

Truong My Hoa: First of all, on behalf of the Vietnam Women's Federation, I would like to thank the mass media agencies for their significant contribution in propagandizing and appraising achievements scored by women's movements and the Vietnam Women's Federation in past years. We hope that in the future, understanding the party Political Bureau's new resolution on women's mobilization work, the mass media agencies will closely watch women's movements and quickly report on women's issues and the Vietnam Women's Federation's activities.

Correspondent: Thank you.

Australia

Canberra Willing To Aid Jakarta Nuclear Program

BK0109095793 Melbourne Radio Australia in English 0800 GMT 1 Sep 93

[Text] The Australian Government says it wants to help Indonesia develop a nuclear energy program of the highest international standard. Australia's foreign minister, Gareth Evans, said Indonesia would not buy a cheap reactor from the former Soviet Union but would get the most advanced reactor. Speaking before a parliamentary committee in Canberra, Senator Evans said the risks of an Indonesian nuclear program were not as severe or as substantial, as alleged by some critics. He said Australia was close to entering into a nuclear science and technology cooperation agreement with Indonesia. Signing of the agreement last year had been held up because Indonesia wanted a broader scientific agreement, which was now being negotiated. Senator Evans said Australia had a particular interest in understanding Indonesia's nuclear energy program. He said cooperation to pass on advance technology to developing countries was an important part of the nuclear non-proliferation treaty.

Labor Backbenchers Revolt Over 'Lousy' Budget

BK3108093393 Melbourne Radio Australia in English 0630 GMT 31 Aug 93

[From the "International Report" program]

[Text] The political crisis surrounding the Australian Government's budget has provoked an unprecedented rebellion within the ruling Labor Party. It has left the budget a shadow of its former self with half a billion dollars worth of changes and still no guarantee it will get through the Parliament. It has also left the prime minister and the treasurer stung by the depth of feeling within their own ranks. Linda Mottram reports:

[Begin Mottram recording] The Australian Government in its 1993-94 budget have been put through the wringer in a way never before seen here. The problem has been new measures perceived to be unfair to less well-off Australians.

Both measures meant the budget in its original form was never going to get through the upper house of the Parliament—the Senate, where the government is in a minority. The official Liberal-National opposition declared it would oppose key budget tax measures, but it does not command control of the Senate, either. In between, there is a handful of minor parties and independents. The largest group being the Australian Democrats. They saw their chance. They threatened to join in blocking key budget measures too, unless the government agreed to changes.

Treasurer John Dawkins' nonnegotiable budget was all of a sudden negotiable, helped along by an additional outcry from Australia's trade unions. In the background, reduced to a subtext, was the government's own membership in the Parliament—the backbenchers—equally unhappy about unfair measures, but brushed aside by a government mesmerized by the thought that parties a quarter its size could bring the budget of a decade-old government to its knees.

A fortnight after the budget was unveiled, changes were being confirmed by officials, leaving the Australian Democrats the heroes, the saviors of the poor. It was the last straw for Labor's backbench. With MP's gathered in Canberra for this week's parliamentary sittings, the prime minister, Treasurer Dawkins, and Finance Minister Ralph Willis found themselves summoned to a meeting of one of the party's committees. In no time, numbers swelled to include more than half the party's numbers in the Parliament.

For three hours, they directed fierce criticism at the leadership over a lousy budget. It was open revolt sparked by the failure of leaders to listen to the men and women who put them there. Former Labor prime minister, Bob Hawke, never suffered such indignity, but then the partnership of Hawke and Paul Keating as treasurer was, despite its troubles, as near perfect as politics can deliver. The popular salesman, Hawke, the hard economist, Keating. Now, its the hard economist Keating, with Dawkins, but no populist salesman.

Despite Keating's broad vision for Australia, backbenchers have been dismayed at the closed nature of Keating's leadership style since the March election. The budget has now served as a trigger for it all to be brought into the open. [end recording]

Nationally-Built Submarine Launched in Adelaide

BK2808055493 Melbourne Radio Australia in English 0500 GMT 28 Aug 93

[Text] The first submarine built in Australia has been launched in the South Australian state capital, Adelaide. At the launch of HMAS Collins, Prime Minister Paul Keating said the creation of the conventionally powered submarine increased Australia's confidence in its ability to defend itself. From Adelaide, Graeme Dobell reports on the ceremony for the first of the six Collins class submarines:

[Begin Dobell reporting] The \$800 million [Australian dollars] submarine is named after the first Australian-born chief of the Australian Navy. Admiral Collins' widow performed the naming ceremony although it took two goes and some help from a workman before the traditional bottle of champagne would break across the bridge. There were fireworks and a flypast by naval helicopters and two female protesters unveiled a peace flag by the submarine.

Prime Minister Paul Keating welcomed representatives from East Asia, saying Australia wanted closer defense ties with the region. Mr. Keating said defense industry cooperation with East Asia would help regional security and Australian industry.

The South Australian government says the Australian Submarine Corporation is now pursuing contracts to build submarines for Canada and Asian navies and is in heavy negotiations with the Philippines about its surface ship project. [end recording]

French Polynesia

Radioactivity-Monitoring Laboratory To Remain Open

BK3108072293 Melbourne Radio Australia in English 0500 GMT 31 Aug 93

[Text] French Polynesia has succeeded in halting moves by Paris to close a government facility which monitors radioactivity from nuclear testing at Mururao atoll. Jemima Garrett says the planned closure was part of a range of cuts in French defense spending:

[Begin Garrett recording] Paris planned to close a section of the Atomic Energy Commission's Tahiti-based laboratory of the study and assessment of the environment. It collects samples from Mururao and other islands keeping a check on radiation level. Staff at the laboratory protested strongly, pointing out the 18-month-old moratorium on nuclear testing did not stop radioactive contamination. Senior atomic energy officials have assured the territorial government the facility will not be closed. [end recording]

New Zealand:

German President on Trade Blocs or GATT Proxies

BK3108082893 Hong Kong AFP in English 0759 GMT 31 Aug 93

[Text] WELLINGTON, Aug 31 (AFP)—Visiting German President Richard von Weizsaecker warned here Tuesday that protected regional trade blocs, either in Europe or the Pacific, were not wanted.

Speaking at a press conference following a state lunch in his honour, he urged a completion of the Uruguay round of the talks on the General Agreement on Tariffs and Trade (GATT). "I am confident that we will reach a positive result of the Uruguay round, not in the least also

in order to prevent a kind of anti-GATT regional new force in the world which would have disastrous consequences to all of us," he said.

Weizsaecker is here on a four day state visit, the first by a German head of state in 16 years, and on Friday he will fly to Australia. At the state lunch, attended by Prime Minister Jim Bolger and Labour leader Mike Moore, Weizsaecker said continuing moves towards European unity could not result in a closed-off continent. "The European Community will have to remain open to the world. Our security and our prosperity depend on it," he said. "Located in the heart of Europe and not particularly favoured by nature, Germany supports the policy of free passage for capital, services and goods worldwide. We have learned that this is the policy that brings most benefit to all."

Speaking at the press conference, he said any groupings such as the Asia Pacific Economic Cooperation (APEC) body should not be turned into a regional barrier. Germany was "deeply interested" in APEC. "This cooperation has to include an openness of those regions visavis free trade and world tasks. We don't want the formation of regions as an alternative to global frameworks. We don't want regional GATT substitutes either in the form of the European Community or in the form of APEC," he said.

Weizsaecker said Germany and New Zealand were joined in wanting an early settlement to the Uruguay round of GATT negotiations. He said any settlement would require compromises, with almost all countries having some means by which products were subsidised and international competition spoiled. He said agreements to date in the GATT negotiations had created burdens and problems for European Community countries. However European countries would cope with those problems when a Uruguay settlement was complete. "Nobody should become too angry about difficulties in the negotiations because behind the difficulties are the real objectives, problems of the countries."

Failure to reach agreement and the establishment of a new kind of anti-GATT regional force would have disastrous consequences. He said protectionism seemed to be the method by which politicians coped with problems in society such as unemployment. "But in the short run and also in the medium perspective, protectionism is the wrong answer. Protectionism in the global sense will have to be paid in the first place by the poor societies of the third world. But protectionism will also have to be paid (for) by the customers in our kind of societies because goods in a very short period will have a tendency of going up in their prices."

